

Part 2 of 3: The Next Normal – What Talent and Skills Will Progressive Law Firms Need?

Jul 02 Posted by [Susan Saltonstall Duncan](#) in [Law firm management](#)



In [Part 1 of 3: The Next Normal – Will the Traditional Law Firm Model Survive?](#), we suggested that the traditional firm model will not survive in the future (or perhaps even the present for many.) The law firm or legal service organization of the future will employ numerous types of people who have various skills, experience/backgrounds and credentials. Only some of these professionals will have a traditional law degree and will be practicing law as we know it today. Many others will be required to design and manage legal solutions for clients, manage key client relationships, develop efficient and effective process and project management systems, design value-based pricing strategies, oversee content and knowledge data bases, employ new technologies, and manage the talent, resources, finances, and marketing and selling of the organization.

New Roles in the Law Firm of the Future

At the end of our last post [Next Normal Part 1 Revisited: Will the Traditional Law Firm Model Survive?](#), we proposed a very different looking shape and complexion of the future law firm. It suggests that the traditional and actual practice of law will be carried out by far fewer traditionally educated and trained lawyers. Additional and ancillary support and resources will be provided by a number of other professionals and sources. The next normal variation of the traditional law firm will include the following categories of leaders, practitioners and ancillary professionals:

Executive Management and Business Support: Investors (if/when the U.S. changes its regulations,) Chief Executive Officer, Chief Operating Officer, Chief Financial Officer, Chief Information Officer, Chief Human Resource Officer, Chief Marketing Officer, Chief Sales/Business Development Officer, Chief Strategy Officer, Chief Value and Pricing Officer, Department Operating Officers. (As noted in our last post, the recent Texas ethics ruling barring the title "chief" is unlikely to prevent firms from hiring experienced business executives to run the business.)

Partner Leadership: Board, Practice Leaders, Industry Group Leaders, Finance Committee, Compensation Committee

Practicing Lawyers and Other Substantive Experts: Tier 1 - rainmaker/trusted adviser/key client account partners, "brain surgeon" experts, Tier 2 – subject matter experts, mentors, legal strategists, knowledge engineers, consultants experts, emerging leaders, Tier 3 – "future Tier 1/partner" associates.

Other Legal Solution Professionals (these may be law firm employees or externally owned and managed): document review and staff/other lawyers, certified project managers, technical specialists (patent agents, analysts, etc.,) expert paraprofessionals and practice support specialists.

External Resources/Alliance Partners/Collaborators (these are externally owned and managed): legal process outsourcers, contract lawyers, consultants/experts, vendors, other law firms.

Six Drivers of Change

Law firms are no different than other businesses experiencing the disruption and change taking place in the marketplace. In [Future Work Skills 2020](#), The Institute for the Future (ITFF) analyzes six key drivers of change and how these drivers will necessitate a range of skills in the workforce of the future.

1. **Extreme longevity** – significantly increasing lifespans will foster multiple careers for each person and require focus on health care.
2. **Rise of smart machines and systems** – workplace automation will force businesses to determine what their people are uniquely qualified to do.
3. **Computational, programmable, designable world** – the world becomes a programmable system where every object and interaction can be converted into and analyzed as data.
4. **New media ecology** – enabling new forms of communication, collaboration and transparency.
5. **Super-structured organizations** - new training paradigms and tools – reorganization of how we produce and create value through social media platforms and technologies.
6. **Globally connected world** – communication, collaboration and integration of local employees and local business processes across borders globally.

Ten Required Work Skills:

Employers of the future must be looking at ways to overcome the disruption of automation and technology and of a global workforce that may do things faster, cheaper and better. According to the ITFF report, in order to thrive in the coming decades, employers responding to the six drivers will seek out employees with the following skills:

1. **Sense-making**: "The ability to determine the deeper meaning or significance of what is being expressed." Higher level, critical thinking skills that enable insights and decision-making.
2. **Social intelligence**: Ability to quickly assess emotions and motivations of others by interpreting tone, body language and listening; empathetic, able to connect deeply with others.
3. **Novel and adaptive thinking**: Able to analyze problems and develop solutions spontaneously that are unique, not rule-based or rote.
4. **Cross-cultural competency**: Able to adapt to new and changing environments and circumstances; diverse in perspectives, experience and temperaments.
5. **Computational thinking**: Able to understand data-based reasoning and convert Big Data into abstract concepts and simulations.
6. **New media literacy**: Develop content and persuasive communication approaches using the most current and advanced forms of media and technology.
7. **Transdisciplinarity**: Having deep knowledge in a discipline but also the ability to function and understand multiple disciplines and cultures. This is the T-Shaped quality we discussed in our blog post [Are You a T- or I-Shaped Lawyer?](#).
8. **Design mind-set**: Able to determine type of thinking required for specific tasks and adjust work environment accordingly.
9. **Cognitive load management**: "Effectively filter and focus on what is important" by using various tools and techniques; ability to manage information overload challenges.
10. **Virtual collaboration**: Ability to work as a productive member of and lead/motivate virtual teams using team-building and communications approaches and tools.

At the present time, many lawyers and other law firm employees do not possess adequate skills in many of these areas. Like other businesses, law firms will have to re-evaluate the profile of the future, successful employee.

Compounding the Problem: The War for Talent

The [GE Global Innovation Barometer](#) report just released in June, notes that finding and retaining top talent will be one of the greatest challenges executives face. 79% of the executives surveyed believe that talent is a critical factor in innovation but only 32% believe they currently excel at attracting and retaining it. 57% reported that the lack of talent and skills in their companies is harming their ability to innovate.

"Forces such as collaboration, big data and the Industrial Internet are shaping the future of work. Individuals who can understand both their industry and the associated analytics – and can reorganize the business to take full advantage of emerging trends – will be in high demand."

While law firms are not inherently innovative in their approaches or products and may believe they don't have to be, they nonetheless will have to be more innovative and hire the type of talent that will help them survive and excel in the "next normal."

Are Law Firms Stuck in an Earlier Era?

An article in the June Harvard Business Review entitled [The Big Idea: 21st Century Talent Spotting](#) by Claudio Fenrandez-Araoz describes the characteristics of the four most recent eras of talent spotting:

Era 1 (thousands of years) - Choices about talent were primarily based on physical attributes: height, strength, attractiveness.

Era 2 (much of 20th century) – Most important hiring factors were intelligence evaluated by IQ and other tests and credentials/educational pedigree and experience.

Era 3 (end of 20th century, early 21st century) – Trend toward evaluating competencies, including social intelligence rather than raw intelligence. Prior experience was not as important a predictor of success.

Era 4 (just dawning) – A shift toward hiring on the basis of "potential." It is much more difficult to assess than competence or intelligence but potential is a better predictor of success in the disruption and fast-paced change that will continue to occur in the future.

Most law firms continue to hire using Era 2 factors. A few firms have begun using performance review and development programs akin to Era 3 characteristics but interestingly, still recruit on the basis of Era 2 qualities. Few law firms are using EQ and personality assessments when considering new and lateral hires.

As reported in the GE Global Innovation Barometer, Fenrandez-Araoz also believes that the upcoming war for talent will be an extremely difficult and for some, insurmountable challenge for businesses in the near future. This talent crisis is exacerbated by rapid globalization and the war for talent in emerging markets as well as mature markets, demographics of an aging workforce and shrinking 35-44 year old age bracket which represent the rising leader/executive pool, and inadequate pipelines of future leaders. He believes that the organizations that learn how to spot, hire, develop and retain the future employee who has "potential" will be the winners going forward.

His five indicators of talent "potential" include:

1. **"Motivation:** A fierce commitment to excel in pursuit of unselfish goals... Great ambition, aspire to big, collective goals, show deep personal humility."
2. **"Curiosity:** A penchant for seeking out new experiences, knowledge and candid feedback and an openness to learning and change."
3. **"Insight:** The ability to gather and make sense of information that suggests new possibilities."
4. **"Engagement:** A knack for using emotion and logic to communicate a persuasive vision and connect with people."
5. **"Determination:** The wherewithal to fight for difficult goals despite challenges and to bounce back from adversity."

Few businesses, law firms included, have figured out how to measure, nurture and capitalize on the potential of the employees they have and those they will need to hire. Success in the future will come to those firms that are able to discern the skills, competencies and potential of the employees/talent necessary to adapt and innovate. Our next blog

post will address some of the ways successful firms of the future could adopt some approaches being used by innovation leader, Netflix, in order to manage their talent and to stay relevant and profitable in the "next normal."

Tags: [Adapt or Die](#), [Career Success](#), [Collaborate](#), [Creative Thinking](#), [Forward-Thinking](#), [Innovation](#), [Innovation Culture](#), [Process improvement](#), [Project Management](#), [Traditional Law Firms](#)

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