

Legal Outsourcing Journal

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Deafening silence from BigLaw about legal outsourcing

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Just this week the news has been circulating about the unsuccessful attempts of Fronterion LLC who bills itself as an “independent outsourcing advisory” to survey large US law firms about their use of legal outsourcing providers. Why unsuccessful? The [ABA Journal reports](#) that according to Fronterion, of the “nation’s top 50 law firms” (“top” obviously meaning “largest”) only one confirmed outsourcing of legal services “to some degree,” four firms denied using outsourcing, and 20 (40%) did not respond at all or “in a sufficiently definitive manner” to even be included. Twenty-five other firms (83% of the responding firms) declined to answer the outsourcing questions.

“No comment.” Is this really what the “nation’s top 50 law firms” have to say on the subject of outsourcing? What’s to hide? If the mode of outsourcing they are using benefits their clients, why not openly say “yes, we use strategic outsourcing to reduce overall costs for our clients” or something similar.

Is there any connection between this deafening silence and some other interesting reports in the legal industry about these same 50 law firms? Let me review some headlines that have caught my eye recently. On May 12th the ABA Journal reported that Orrick Herrington & Sutcliffe was reconfiguring its business model and now keeping partner profits secret ([Orrick Partner Profits Are Now Secret Under 21st Century Redesign, Firm CEO Says](#)). The same day it was reported that all but 7 of the top 50 firms (the same class of firms that remained mum about outsourcing practices) have partner profits of \$1 million or more ([What Downturn? \\$1M-Plus Partner Profits the Norm, Outpacing 25 Years of Inflation](#)). On April 29th the ABA Journal also reported a slight increase in partner profits in 2009 based in part on law firms “aggressively reduc[ing] expenses.” ([Not-So-Bad News for BigLaw: Small Drop in Head Count, Small Boost in Partner Profits](#)). In March, the ABA Journal reported on results of a Zeugheuser Group legal consulting firm report and concluded that “equity partners at the nation’s top law firms didn’t have to take much of a financial hit last year,” again citing cost-cutting ([Crunching the BigLaw Numbers: Equity Partner Profits Drop Less than 1%](#)).

Not only BigLaw, but the ABA is still turning a blind eye to the full picture of legal outsourcing. As previously reported here, the [ABA Commission on Ethics 20/20 Legal Process Outsourcing \(Domestic and International\)’s Call for Comments](#) entirely ignored domestic freelance attorneys and contract attorneys who work for legal employment agencies. This prompted a comparison of freelance lawyers to

“freedom fighters“ and, as far as google searches have shown thus far, only one publicized response to the Call for Comments.

While BigLaw is standing mute, corporate counsel are becoming more vocal about using project attorneys to handle their workload. As reported in The Legal Intelligencer, corporate law departments are “increasingly using project- or contract-based attorneys to help handle an increased workload on a shrunken budget.” “The pool of contract attorneys right now is exceptional” says James LaRosa of JuriStaff in Philadelphia. “What they are getting typically is an attorney with a lot more relevant experience and a lot more real life practice experience.” The full article is worth a read.