



## The Perfect Storm Is Here

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The perfect storm has arrived. I started predicting it's arrival long before the recession hit. The layoffs and hiring freezes during the recession temporarily delayed arrival of the storm. We bought time, and the threat was forgotten. There were more important things to worry about during the recession. The legal industry is finally climbing sluggishly out of the pit into which many firms fell. People are slowly coming to the realization that the new normal will never return to what it once was. Firms are nonetheless taking steps to begin rebuilding personnel, as demand for services increase.

The good news is also the precursor of the bad news. The perfect storm I refer to is an increasingly acute shortage of available law firm personnel. Primarily we are hearing the first desperate pleas for help from firms located in rural and suburban areas. The initial shortages include paralegals, legal secretaries, and mid-level lateral attorneys who demonstrate any signs of entrepreneurialism. Firms are struggling harder than ever to find suitable candidates.

There has been a strong uptick in hot line calls focused on an inability to find acceptable candidates. Firms are taking all the steps which worked previously, but cannot successfully fill positions. There have been a lot of unsuccessful hires. And firms are feeling the impact of the resulting turnover in the bottom line, and in the ability to service clients efficiently.

Firms are calling in exasperation to find out what they are doing wrong. Certainly, most firms can and should improve their hiring protocols. I am often able to be of significant assistance in that area. But the situation will only get worse, so much more must be done to adjust to the new climate.

The perfect storm has been created by a convergence of many factors:

- 1) An accelerating rate of retirement of the "old guard" of experienced legal secretaries, estate administrators, and so forth.
- 2) A vast amount of knowledge is walking out the door with retiring individuals. Very little has been codified. Even less is being taught by schools.

- 3) Available entry level candidates are not as suitable as in the past. Many lack the most basic skills in reading, writing, spelling, grammar and proofreading.

There is a presumption that these relatively new workers come with a plethora of computer skills, which may at least balance other deficiencies. Not so. Sure, these kids can type like the wind with two thumbs. They know social media. They “know” software like Word. But most haven’t had professional training in using these tools for business. So Word, for example, is used like an electric typewriter with memory.

- 4) Increasing migration over the past decade of candidates who would have previously entered the workforce in entry level administrative positions, to higher positions. For example, those who would have aspired to become a legal secretary a decade ago are now aiming higher; becoming lawyers, accountants, and so forth, which in turn tends to increase demand for administrative support even further.
- 5) Diminished regard for administrative positions by potential employment candidates. Many savvy legal administrators responded by trying to preserve the desirable image of positions by changing titles, including higher-level tasks, increasing salaries, offering more training, and so forth.
- 6) Increased competition from other industries which provide advancement opportunities not available in the legal industry. Almost four decades ago I struggled to hold onto my most talented paralegals. A large industrial employer in the area offered a higher pay grade, greater benefits, and unlimited advancement potential with paid education to help achieve it.

Let’s be realistic, short of going to law school, there is a ceiling for all administrative staff, no matter how smart, in terms of advancement and pay.

- 7) Demographics have always played significantly into increases and decreases in the workforce. Since 2000, the workforce has been declining steadily as the baby-boom generation has been retiring at an increasingly faster pace, and millennials have entered in smaller numbers than those departing. It’s projected that the workforce will continue to shrink significantly until at least 2020. Some forecasts predict a continual shrinkage to 2050.



If your firm is in a major metropolitan area, you probably have not yet felt the impact of the perfect storm. Firms with brand names, large footprints, or profitable boutique practices will continue to entice the best and brightest candidates. The rest scramble to recruit the best of the remaining candidates. Sadly, general practice firms in rural areas risk dying due to lack of talent for succession purposes, rather than lack of demand for legal services.

What should you be doing? How will you shelter your firm from this encroaching storm? Here are a few thoughts to get your creative problem-solving juices flowing.

- 1) Improve your hiring protocol. Rethink the entire process from how and where you advertise, to how you conduct your interviews.
- 2) Have realistic expectations. Lawyers who still expect a “cattle call” for an open secretarial position are not realistic. By the same token, expecting to find an entry level candidate who does not require extensive training nowadays is also unrealistic.
- 3) Develop good training guides and support. Just because the person who retired after 27 years on the job understood your document organization, it doesn’t mean it’s “clear” for the next person. In fact, it might be a nightmare which requires document management software to make it workable for someone new.
- 4) Rethink whether you actually need someone to fill a position. Can technology replace some of the requirements of the job? Might you be able to get along with someone less skilled? Might you be able to get along with someone working less hours? You can increase the candidate pool by considering part-time or job-share arrangements.
- 5) Rethink whether you actually need “meat in the seat”. Notice I used the word “need” rather than “want”. You can open a position up to a new segment of the workforce if you consider virtual or telecommute options.



These are just a few ideas, and I would welcome the opportunity to flesh out any of them with you. Just remember, I'm here to help. I can't change the reality, but I can help you weather the perfect storm.

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