

Trends for Midsize Firms Heading Into 2019

From a heightened focus on cybersecurity, to offering a hybrid remote/in-office work option, here are some trends for midsize firms to look out for as the new year approaches.

By Alan Tarter

1. Trend: A heightened focus on cybersecurity, risk and insurance.

Midsize law firms, like their brethren at large firms, will continue to put an increased focus on mitigation of cyber risk through enhanced security, protocols and more sophisticated risk management. We will see greater use of outside risk management consultants working directly with midsize/ firms to address new risks and gaps on coverages.

2. Trend: Continued lateral acquisitions.

Midsize law firms will continue making robust lateral partner acquisitions. Competition for the best candidates has increased, so midsize firms will need to be even more creative in their offerings. Midsize firms will need to better exploit their value propositions to clients in order



to attract laterals from larger firms. Firms will also need to put an added emphasis on retaining their best talent.

3. Trend: Greater exploitation of value proposition: specialty work

for larger firms and working with middle-market companies.

Larger clients will continue to gravitate to midsize firms for certain types of work. Midsize firms are in a unique position to provide more cost-

effective, efficient services in matters not requiring large firm infrastructures. For example, midsize firms may be in a better position to provide more cost-effective services in specialized areas such as construction law, office space leasing or IP prosecution where larger teams and multiple offices are typically not necessary. In-house clients are becoming aware of the advantages of using midsize law firms for legal work like this.

4. Trend: Collaboration with different sized firms—both larger and smaller.

With the goal of providing the most value-driven services to clients, firms of all sizes are realizing the benefits of partnering with each other. You will see greater collaboration between large firms and midsize firms in working on projects together where they can each do what they do best and provide better service to

clients. Clients have become more aware of these advantages and may push all of us toward this collaboration model.

5. Trend: Continued pressure to control costs to control pricing structure.

Midsize law firms will face significant pressure to maintain their present cost structures in order to preserve their favorable rate structures. However, with increasing costs of staffing, IT, insurance and various other expenses, this will present challenges.

6. Trend: Offer innovative programming to distinguish team members' midsize experience from larger firms.

Midsize firms have a unique opportunity to lead the industry in developing innovative programming to enhance the professional development of employees. These types

of programs will help midsize firms stand out from their competitors, and will aid in attracting and retaining employees. These programs should place a greater emphasis on the longer-term professional development of attorneys and other team members.

7. Trend: Increased hoteling. Combo of remote and “in-office” working.

Companies have started to realize that having their employees work remotely 100 percent of the time isn't always the best solution to foster collaboration and camaraderie, but they still want to be attuned to the needs of their people, so offering a hybrid combination of remote and in-office working can be a better solution for everyone.

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