The Unforgiving Market

The recession beginning in 2008 marked a key turning point for the legal market that had previously been vibrant for years. After law firms and companies laid off a great number of attorneys in late 2008 and 2009, they have remained cautious to this day in their approach to lateral hiring. In the pre-2008 environment, attorneys looking to move found themselves with far more and varied options than they did after that time. Although U.S. stock markets have had excellent returns for almost five consecutive years, the U.S. legal market has seen a tepid recovery that has left companies and law firms with far greater leverage during the hiring process than the attorney candidates who are seeking to join them. What had for years been a candidates'/sellers' market turned into an employers'/buyers' market by late 2008. Here are some specific examples of the post-recession challenges faced by associates, counsel, and partners looking to make a move, followed by advice for candidates:

1) **Employers are more selective in granting interviews.** When firms determine objective criteria regarding the candidates they'll consider, they hew closely to those criteria in deciding upon interviews. For example, if a firm has decided that it will only consider attorneys who graduated from a top-15 law school, clerked for a federal judge, and work for a top-20 law firm, they mean it. Firms are also more rigid about sticking to their criteria regarding class years and less willing to consider candidates who are willing to drop back in class year. This stricter approach to hiring necessarily narrows the candidate pool of potential candidates and shuts out many candidates who would have gotten interviews pre-recession. Firms pre-recession tended toward a more lenient approach in their consideration of candidates and would deviate, sometimes substantially, from their initial criteria. For example, albeit an exceptional one, a recruiter pre-recession placed a senior litigation associate from a low-ranked BigLaw firm in a corporate associate position with an elite BigLaw firm. A move like that during the corporate boom years is virtually unimaginable today. Advice: Candidates should especially focus on opportunities for which their backgrounds and experience cleanly fit employer's job descriptions as firms are unlikely to consider them otherwise.

2) **Employers move slowly and deliberately before extending offers.** Searches that previously took weeks can now take months. Firms often feel less urgency to hire quickly as they recognize their strong position in the current market and exercise caution with hiring new associates given the uncertain state of the economy. Firms are more likely to meet with more candidates and over longer periods before deciding upon an offer. The process therefore can drag out for an extended period until a firm finds a spot-on candidate to fill its need. For example, it can take more than four months from the time a candidate is presented to a firm to the time an offer is extended. Although four months can be seen as extreme and there are examples of quick hiring processes

today, candidates (and recruiters) often experience more delays now than in the post-recession period. Advice: Even if open-minded about the types of opportunities they would consider, candidates should expect that their job searches may drag out over extended periods and should not get their hopes up that any particular employer will extend an offer. The silver lining is that diligent, consistent search efforts should yield results eventually.

3) **Firms are less willing to take chances on candidates.** Firms tend now only to consider candidates when there is a specific need to hire – whether to replace an attorney who left or because of increased workflow. Firms pre-recession were more open to considering impressive associate candidates even when there was no hiring need because of the expectation of significant future work that could support the new associates. Similarly, a partner before the recession who pitched significant potential business to another firm based on excellent connections but without a consistent record of having previously generated business had a much greater chance of securing a position with generous guaranteed compensation. Now partners typically need to show consistent business generation over a sustained period to get hired as firms are more risk averse after experiencing partners' inability to generate the business that they had expected to develop once the recession struck. Advice: Candidates should recognize that their best likelihood of success comes with employers that have a significant need to hire, rather than those that might opportunistically consider a hire.

4) **Candidates have fewer options.** As employers post-recession have gotten more selective in hiring, candidates accordingly have had more limited success in securing interviews and offers. For example, I recently worked with an associate at a major BigLaw firm who was presented to seven firms but got interviews at only one (and fortunately received and accepted an offer from that firm). But in pre-recession times, that associate would have fared far better in the lateral market, likely getting interviews at several more of the firms that now showed no interest. Interviews and offers are now far more precious than they once were. Yet my colleagues and I still see candidates who receive an offer and consider turning it down because "something better" might come along. The days of "something better" are, for the most part, over. Candidates now turn down a good offer at their own peril, as there is no telling whether a better offer, or any good offer, will materialize within the next several months or years. Advice: Candidates should prepare as much as possible for each interview and should not lightly toss aside an offer in the hope of attaining a more perfect one that may never come.

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