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4 Things NY Law Firm Leaders Are Thinking About In 2021

By Anna Sanders

Law360 (January 4, 2021, 12:02 AM EST) -- For law firm leaders in New York, 2021 is all about change.

Adapting workplace practices, ensuring that attorneys develop or maintain legal skills and preserving company culture are top of mind for law firm leaders as they navigate the coronavirus pandemic in 2021.

The outbreak of COVID-19 dramatically upended the legal industry in New York, which was hit hard early on in the pandemic, leading to closed offices and courts since the spring and forcing attorneys to adjust how and where they work. The pandemic also placed unfamiliar challenges on attorneys and firms that leaders predict will continue to shape business this year — even as New York begins to open up and recover as vaccines become more widely available.

"This was a very momentous, cultural moment," said Noreen Kelly, managing partner of McGuireWoods LLP's New York office. "It forced us to think, 'What does the modern law firm look like?'"

Here are four issues that seven law firm leaders in New York are focused on in 2021.

'Rusty' Attorneys and Workplace Culture

Months of remote work has taken a toll on the welfare of employees that firms must continue to confront, leaders said.

"Remote workers experience more stress, more anxiety, more isolation, more sleep pattern disruption," said Lorie Almon, a partner and co-manager of Seyfarth Shaw LLP's New York office.

"There's going to be some need to help people get comfortable again with in-person interactions," Almon added. "Even the most extroverted among us are a bit rusty when it comes to personal interactions."

Michael Schmidt, managing partner of Cozen O'Connor's Midtown office, said firms must weigh a return to work with employee expectations.

"It's a balance of remaining productive in a competitive New York market while also having to continue to address the psychology of the pandemic," Schmidt said. "How can you ensure employees will

continue to be productive? What are their fears of going to the office?"

New York law firm leaders agreed that certain aspects of their jobs are better in person — for example, getting in a room and not leaving until a deal is done, according to Terri Adler, managing partner of Duval & Stachenfeld LLP.

But the shift to remote work showed law firms the benefits of videoconferencing and other tools, which may still be helpful even when many attorneys return to in-person work, according to Glen McGorty, managing partner at Crowell & Moring LLP's New York office.

"The No. 1 thing on my mind as we enter 2021 is how to maintain where we are but then emerge out of it while not forgetting all we learned," he said.

Law firms maneuvering through pandemic closures and an eventual return to the office must examine how the changes have — and will — affect workplace culture.

"There's no substitute for in-person when it comes to training, culture, relationships," Adler said.

Training and Integrating New Hires

Law firms must address any gaps in skill development or training for current employees caused by the pandemic on top of preparing for a new class of associates and other hires in 2021, leaders said.

"We've got this highly dispersed workforce that's been held together by our prior trust and our goodwill," Almon said.

Firms must also adapt their expectations with new hires because many may want to work from home, according to Alex McClean, partner in charge of the New York office of Harter Secrest & Emery LLP.

"We have to make sure we're competitive from a talent acquisition standpoint," McClean said.

Kelly said McGuireWoods is focusing on how to assimilate new lawyers into the firm.

"It's one thing to keep existing relationships alive by Zoom, but how do you integrate?" she said.

Michael DeLarco, New York managing partner at Hogan Lovells, said that's a major concern at his firm as well, which has nearly 20 first-year associates starting in January.

"When you're not in the office on a day-to-day basis, as a new employee, it's not the easiest thing to get integrated with your colleagues," he said. "We want to make sure that our junior lawyers get the exact same opportunities and training that they would have if we were not in a pandemic."

Diversity and Inclusion

Law firm leaders said diversity and inclusion are another focal point in 2021 after the police killing of George Floyd and other Black Americans spurred a national reckoning over racial injustice in 2020.

But they admitted a remote work environment can pose a challenge because the free-flowing exchange of ideas is hampered.

"We're creating ideas and opportunities and that often stems from that personal connection and those moments when you're in a room with somebody thinking through ideas," Adler said. "That ties right back into diversity initiatives and creating diverse ideas ... and if everybody is just sitting in their house staring at Zoom screens, that's not good for the economy, it's not good for business, it's not good for law firms."

Remote work also means attorneys miss out on spontaneous interactions with colleagues of different backgrounds.

"It's incredibly important for lawyers to figure out how to bridge gaps to get a deal done, to negotiate a settlement," Almon said.

New York's Economic Recovery

After the pandemic devastated the local economy, the arc of New York's recovery will also shape the future of many law firms there.

"Our primary client base is based here, so the health of New York State and its economy has an impact on us," McClean said.

The city has a projected budget deficit of at least \$3.8 billion for the fiscal year beginning July 2021, and the state is at least \$8 billion in the red. Law firm leaders worry the dire financial situation will affect services like mass transit, discourage attorneys from in-person work, and lead to an exodus of clients and talent from New York.

"New York is heavily reliant on mass transit and crowded areas such as Penn Station, Grand Central," Schmidt said.

McClean said some of his firm's clients in the financial service industry are already talking about moving out of Midtown Manhattan.

"We have to think about what that means for our practice and if we need to be a little more flexible with how we geographically focus our practice," he said.

Adler said her firm is focused on helping her real estate clients rebuild their businesses after the pandemic hammered the industry.

"Law firms, just like other companies, should not be leaving New York but encouraging people to return, to come back to their offices," she said.

But despite the many challenges, New York law firm leaders are optimistic about 2021.

"New York City is going to come through this with some scars," McClean said. "Maybe we'll innovate a bit and change the way we've done things, but we'll be back."

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