Globalization and the making and remaking of transnational lawyers

James Faulconbridge
Andrew Cook
Daniel Muzio

Acknowledgement: The authors thank the UK’s Economic and Social Research Council for funding through grant RES-000-22-2957 that supported the research reported here.

Context

- Geographically variable cultures of work in law firms:

  “a set of social conventions embracing behavioural norms, standards, custom, and the ‘rules of the game’ underlying social interactions within the firm” (Schoenenburger 1997, 116)

  - Attitudes towards colleagues and clients
  - Social norms (teamwork; striving to innovate)
  - How the job gets done (how you approach day-to-day work)

- Transnational corporations (TNCs) and cultures of work

  - Cultures and practices defined by the home-country (Dicken, 2000)

  - Adapted to host-countries (Coe and Wrigley, 2008)
Law firms: exporting home-country cultures

“Law firms, as organisations, were originally built to function within particular societies with particular mores. Now they transplant themselves across borders where the same principles and mores do not necessarily obtain. Inevitably there are strains” (Flood, 1995, 175)

<table>
<thead>
<tr>
<th>Firm</th>
<th>Revenue (£M)</th>
<th>Net profits (£M)</th>
<th>Profit margin</th>
<th>No. lawyers</th>
<th>No offices</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clifford Chance</td>
<td>914</td>
<td>248</td>
<td>27</td>
<td>2,480</td>
<td>28</td>
</tr>
<tr>
<td>Linklaters</td>
<td>805</td>
<td>291</td>
<td>36</td>
<td>2,013</td>
<td>30</td>
</tr>
<tr>
<td>Skadden Arps Slate Meagher &amp; Flom</td>
<td>785.6</td>
<td>342</td>
<td>44</td>
<td>1,554</td>
<td>22</td>
</tr>
<tr>
<td>Freshfields Bruckhaus Deringer</td>
<td>780</td>
<td>354</td>
<td>45</td>
<td>2,115</td>
<td>28</td>
</tr>
<tr>
<td>Baker &amp; McKenzie</td>
<td>669.9</td>
<td>220</td>
<td>33</td>
<td>2,992</td>
<td>70</td>
</tr>
<tr>
<td>Allen &amp; Overy</td>
<td>666</td>
<td>220</td>
<td>33</td>
<td>2,283</td>
<td>25</td>
</tr>
<tr>
<td>Latham &amp; Watkins</td>
<td>657.9</td>
<td>296</td>
<td>45</td>
<td>1,502</td>
<td>22</td>
</tr>
<tr>
<td>Jones Day</td>
<td>649.2</td>
<td>178</td>
<td>27</td>
<td>2,076</td>
<td>29</td>
</tr>
<tr>
<td>DLA Piper Rudnick Grey Cary*</td>
<td>638</td>
<td>165</td>
<td>N/A</td>
<td>2,387</td>
<td>99</td>
</tr>
<tr>
<td>Sidley Austin Brown &amp; Wood</td>
<td>561.6</td>
<td>30</td>
<td>30</td>
<td>1,405</td>
<td>16</td>
</tr>
</tbody>
</table>
The argument:

- Cultures of work mean

  1. TNCs adopt geographically variable worker recruitment strategies

  2. TNCs also attempt to change workers’ cultures through training programmes
Outline

1. Context: geographical cultures of work

2. TNCs and cultures of work

3. The role of recruitment and training in global law firms

4. Conclusions

Context: geographical cultures of work

- The ‘cultural turn’ (Thrift and Olds, 1996): norms and values shaping economic activities

<table>
<thead>
<tr>
<th>Cultures of work</th>
<th>Industrial Practices</th>
</tr>
</thead>
<tbody>
<tr>
<td>• behavioural norms</td>
<td>• work organization</td>
</tr>
<tr>
<td>• standards</td>
<td>• worker-management relations</td>
</tr>
<tr>
<td>• custom</td>
<td>• technology use</td>
</tr>
<tr>
<td>• the ‘rules of the game’</td>
<td>• client/supplier relations</td>
</tr>
</tbody>
</table>
TNCs and cultures of work

- Changing cultures through organizational learning (Currah and Wrigley, 2004)
  - Firm-wide communities of practice (virtual and face-to-face learning)
  - Travelling ‘best practice’ teams
  - Overseas secondments/trips

But…

*Organizational units within the retail TNC – from the individuals to store to whole national divisions – develop their own identities, ways of doing things, and ways of thinking*. (Currah and Wrigley, 2004, 11)

The role of recruitment and training:

- Identifying the ‘right’ cultures (Bourdieu)
- Learning about the firm’s industrial practices
- Learning the values and attitudes (cultures) of the firms lawyers

*Global law firms: exporting English and US models of legal practice*
Solution I: recruitment and education

- **Nationally**: reproducing the elite in global law firms

![Chart showing recruitment and education](chart1.png)

- **Internationally**: selecting a global cadre

![Chart showing recruitment and education](chart2.png)
Training & Cultures of work in global law firms

- Global law firms: exporting English and US models of legal practice

<table>
<thead>
<tr>
<th>Legal knowledge</th>
<th>Practice group technical sessions</th>
<th>Legal Ethics &amp; Standards</th>
</tr>
</thead>
<tbody>
<tr>
<td>Behaviours</td>
<td>Managing your time</td>
<td>Client service &amp; relationships</td>
</tr>
<tr>
<td></td>
<td>Being financially literate</td>
<td>People management</td>
</tr>
<tr>
<td></td>
<td>Communication skills</td>
<td>Business development</td>
</tr>
<tr>
<td>Practices</td>
<td>Constructing global deals</td>
<td>Working as an international lawyer</td>
</tr>
</tbody>
</table>

Learning global best practices: skills training

"meet their peers in other offices and hear that, ‘I may be struggling with this in London, but actually it’s no different in Amsterdam, Frankfurt, um New York’. We don’t apologies for that, there’ll be, there’s something very powerful in getting a bunch of peers together for that time" (4, training lawyer, English firm)
Learning the firms culture and the identity of a transnational lawyer:

**Overseas seats**

![Diagram]

"people move across from outside London into London to get a feel for working in the Centre if you like" (9, global head of training, English firm).

"everyone goes to New York, wherever they are and part of it is training and part of it is being inculcated into the culture, our single firm culture is really important to us for lots of reasons, very important to us. Part of it is, um, I don’t want to use the word, it’s overused, use the word networking, but for people to get to meet everybody because a incredible asset…" (6, Training Partner, US firm).

Learning the firms culture and the identity of a transnational lawyer:

**Training as observing ‘role models’**

![Diagram]

“you know, training sometimes is the best way of pulling people together and actually illustrating what are culture and values are actually all about, because you actually have to live it and breath it throughout those training programmes…Gary our managing partner who is committed to helping people, you know, if you like, be induced into the programme as quickly as possible. So he’ll talk about the strategy, he’ll talk about the vision, he’ll talk about what his hopes and fears are, but they also get a sense of what it’s like to work here” (7, training partner, US firm).
Learning the firm's culture and the identity of a transnational lawyer:

Simulations

Values and attitudes
(cultures of work)

Identities
'who I am and what I should do'

“The Real Deal”, which is a mock up of a deal, and they each have a coach who follows them through this course, the course lasts between 3 and 4 days depending on what the deal is, and they literally have to kind of run the deal as if they would, they’ll be running meetings with clients, people playing clients, they’ll be briefing partners, so that’s a very interactive course that’s a combination of technical and developmental” (10, Global head of training, English firm)

Learning the firm's culture and the identity of a transnational lawyer:

Critical feedback

Values and attitudes
(cultures of work)

Identities
'who I am and what I should do'

"At each event, around eight or nine or ten of them to actually come to the event. So they sit on the tables with the delegates and they work the case study exercises with the delegates. So in that role they are immediately acting effectively as coaching and mentoring facilitators. But delegates love the fact that this is a real lawyer sat with me for two days chatting about how we should manage this case scenario... I see principally the role as being a sounding board. So somebody tells you [the editorial layer] what they think and you don’t offer your own opinion, you just challenge their assumptions and you keep challenging their assumptions until they become more robust in their opinion, or not as the case may be” (14, training consultant)
Conclusions

- Making and remaking of transnational lawyers: firms selecting based on and producing cultures

- TNCs as embedded by and seeking to change cultures/identities and practices

- TNCs producing hybridity not convergence in national business systems