

Innovation in the UK Legal Recruitment Market

In 2004 the Legal Services market turned over £20.2bn in the United Kingdom. The value of the market had increased by 32.2% since 2000. Within the overall total the market for legal services in Business and Commercial affairs grew 47.6% from £4.2Bn in 2000 to £6.2Bn in 2004.

In their market survey in 2005 Key Note identified several trends, which they believed were likely to promote dynamism in the market, namely:

- ◆ Globalisation
- ◆ Value for money
- ◆ Niche positioning
- ◆ Outsourcing
- ◆ Legal disciplinary practices

The legal services market is growing and becoming more fluid and dynamic. Changes resulting from the Legal Services Bill (relating to Legal Disciplinary Practices), which will allow outside ownership of law firms, are likely to profoundly affect the structure of the market and the nature of organisations, which provide legal services.

Against this background, the recruitment market, which serves the legal services industry, is not obviously changing and innovating. Methodologies for recruitment, the pricing of services and the manner in which services are delivered seem to differ little from 10 or even 15 years ago. Why?

Is the lack of innovation and change due to inertia of those providing recruitment services or is it due to lack of customer demand for anything different and new?

Is there innovation in the legal services recruitment market and if so where and in what form?

What are the opportunities to innovate?

The paper will consider the recruitment market, which serves the UK legal services industry.

It aims to address a number of questions:

- ◆ What innovation has there been in the last 10 years? How did it come about?
- ◆ If innovation in legal services recruitment has been limited or non-existent, why?
- ◆ Is this a market ripe for fundamental change? If so is there any clue as to what form that may take?
- ◆ What opportunities are there for demand led incremental innovation?
- ◆ How does recruitment in the UK legal services market differ from other countries with large similar markets, how have things changed there over the last 10 years and what opportunities does that create for the UK market?
- ◆ How does recruitment in the legal services market differ from other market sectors in the UK how have things changed in those sectors over the last 10 years and what opportunities does that create for recruitment in the legal services market?

In order to help understand the market, its history, comparison with the other markets and to identify unmet needs the proposal is to carry out first hand research via qualitative interviews with:

- ◆ Users of legal recruitment services in the UK, managing partners, heads of department, heads of HR and heads of recruitment in a range of law firms
- ◆ Users of legal recruitment services in at least one other developed legal services market, probably the USA, possibly also a European market such as Germany
- ◆ Recruiters operating in the legal services market in the UK and in other markets

The aims of the dissertation are to analyse and understand:

- ◆ How innovation has operated on a market over a period of time and if it has been limited or non-existent to understand why
- ◆ What opportunities exist now for a business which wants to have innovation as a key part of its value chain and to build a leading position within the market?