

COMMERCIAL AWARENESS: WHAT DOES IT MEAN?

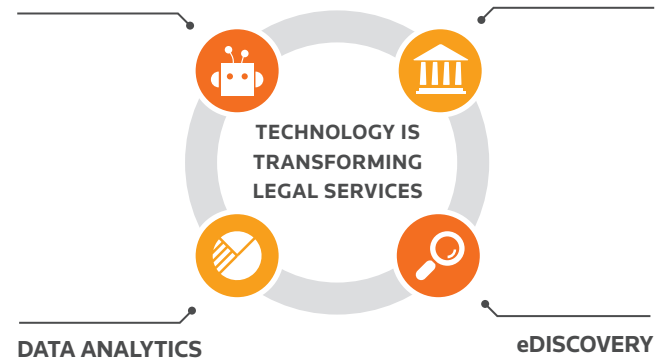
A strong CV and a confident manner might get you through the door but it's commercial awareness that hiring partners are really looking for – it could land you your dream training contract. What is it and how do you get it?

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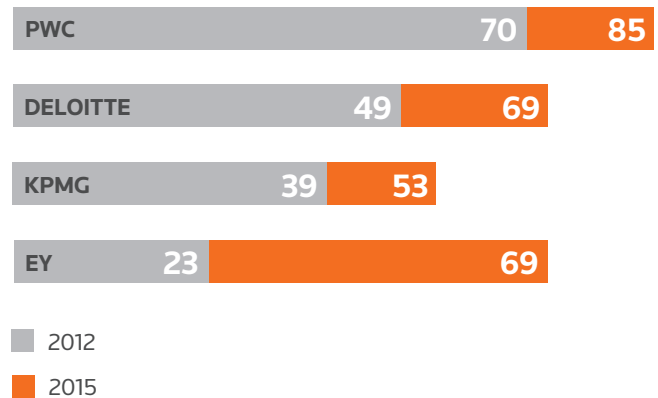
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AI/COGNITIVE COMPUTING

ONLINE DISPUTE RESOLUTION (ODR)



The Big Four accountancy firms are growing. This graph shows how the number of countries they offer legal services in, has increased between 2012 to 2015:

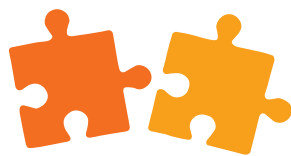


1. KNOW YOUR MARKET

How does a law firm work? What factors impact its profitability? Technology and new business models are seriously disrupting the market for legal services. The arrival of ABSs (alternative business structures) allows new entrants to break free from the traditional, partner-dominated models; legal process mapping is leading to right-sourcing and creating new efficiencies; and the established hierarchy is under threat from agile providers like Axiom and Lawyers on Demand, as well as insurgent providers like the Big Four accountancy firms. New lawyers should know where the market is – and where it's headed.



By **2020** 35% of solicitors will work in-house



10 OF THE TOP 25 law firms in the UK have completed a **significant merger** in recent years

3 There were **3 ABS LICENCES** granted when the market liberalised in **2012**

500 By **2015**, there were 500



2. KNOW YOUR CLIENTS' MARKET

Your firm won't expect you to have a client's business plan memorised from day one, but it is vital to show that you understand their concerns. What are the local and global pressure points facing a given industry? Who are the key players, and what are the major threats? Is the industry facing a legislative shake-up, a rapid expansion, or tough financial straits? Your ability to spot problems and identify opportunities for clients – to change your answer from 'No, because ...' to 'Yes, if ...' – is driven by your commercial awareness of your clients' market, and it makes you stand out from the crowd.



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3. HONE YOUR BUSINESS AND TECH SKILLS



Today's lawyers don't just advise on technical legal issues. They're trusted business partners that recognise the obstacles their clients face, and how to navigate through them. That means understanding how the economy works, what its key indicators tell you, and the consequences for business. Reading The Economist and the FT goes a long way, but an ability to understand financial reports and, for example, what issues affect the share price or reputation of an organisation, will take you even further. New technologies are transforming the legal services market. Firms must exploit these technologies to survive in an increasingly fragmented market. Don't underestimate the need for technological competence: IT skills are no longer optional but an essential part of delivering a good service. If you struggle with tech – learn.



42% of **Top 200/City firms** see clients' use of technology tools as a **potential threat** to their business*



Law firms can **improve their profitability** by investing in tech tools like document assembly systems, eDiscovery and online dispute resolution**



The **Solicitors Regulation Authority (SRA)** provides guidance on how to improve your skillset across the board as you progress through your career: www.sra.org.uk/toolkit

4. BE READY TO NETWORK AND COLLABORATE



Outside of a select few specialisms, the days of the isolated lawyer are over. The best lawyers add value to their firm by connecting with current and potential clients as much as possible, as well as fellow practitioners from all areas of practice and from all around the world. Many instructions arrive from personal connections and word of mouth; moreover, conferences and events can be a great way to develop new skills, explore new ideas and keep up with market trends. Modern law is a team sport – make sure your team is big, and that your roster is varied.



Practical Law UK offers more than **60 EVENTS ANNUALLY** where you can broaden your insight and network

5. EMOTIONAL INTELLIGENCE IS KEY



Lawyers are service providers. Trust and professionalism are paramount. The people skills needed to cultivate, maintain and deepen collaborative relationships with clients, counterparts and colleagues are crucial to any successful modern lawyer. Emotional intelligence will help you navigate high-pressure situations when deals are closing, cases are settling or negotiations are intensifying, whilst allowing you to keep your client's interests at the forefront of your mind. These skills will take the service you provide to the next level and add real value for your firm and the client.

Put all five together and you'll be a lawyer who provides an efficient, profitable and distinctive service that genuinely meets clients' needs now, and in the future.



Whether you're researching or studying for your exam, Thomson Reuters has the answers you need, when you need them.

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*The Altman Weil 2015 survey of law firms

** The Law Society, Future of Legal Services Report, Jan 2016

