

ROUNDTABLE ON LEGAL PRACTICE AND ENTREPRENEURSHIP

1st March, 2012

INTRODUCTION

The legal profession faces the huge challenge of reinventing itself in response to a number of factors that are affecting the way we do business. The world has seen in the past four years a near global economic meltdown which has affected nearly all professions. Hitherto, wealthy nations have experienced shrinkages in their economies leading to severe cut backs in the demand for services including legal. Hitherto, unquestioned concepts especially the principles upon which capitalism is founded have come under serious scrutiny forcing nations to rethink their strategies for survival.

In 1995, Nigeria signed the treaty that gave it membership of the WTO. One of the obligations of membership of the organisation is for countries to increasingly remove the barriers to free movement of goods and services. Amongst these services are legal services. This singular act has transformed the way legal business is conducted. Fierce competition for the world legal market has meant that only the fit survive. Nigeria has not been immune from this threat. Even though the NBA has championed an awareness campaign on this subject, it is very evident that the Nigerian legal market is fair game to the rampaging invasion from foreign law firms. All these go to shrink an already difficult market.

In recognition of the central role entrepreneurship plays in legal practice and the apparent deficiency caused by the lack of entrepreneurial skills in the legal profession, the Nigerian Institute of Advanced Legal Studies on 1st March 2012 hosted a Roundtable on Legal Practice and Entrepreneurship under the auspices of the Abdullahi Ibrahim Centre for Litigation and Case Law.

Discussion centred round the: The Challenges of Running a Successful Law Partnership; The Anatomy of the Legal Profession: Investing the Proceeds of Legal Practice; Legal Practice as a Stepping Stone to Building a Business Empire; From Law Practice to the Board Room: A Paradigm Shift or Natural Transition; Grooming Law Students for Entrepreneurship; The Lawyer as Chief Executive of Regulatory Business Concerns and Shaping the Mindset of Lawyers for Entrepreneurship.

THE ROUNDTABLE OBSERVED AS FOLLOWS:

1. Prior to the establishment of the Nigerian Law School in 1962, the training of Nigerian Lawyers was done mainly in the United Kingdom.
2. In England, the Legal profession is divided into two classes, Barristers and Solicitors. A person can only train and practice either as a Barrister or a Solicitor. There is a marked difference in the legal duties performed by each class. In Nigeria, however, the Legal profession is fused and aspirants to the Bar are trained as Barristers and Solicitors.
3. The history of legal practice in Nigeria has been intricately webbed with litigation practice. The early lawyers were deeply involved in the struggle for independence and used the law as viable tool to press their point.
4. Nigeria has remained trapped in its history. With the swelling numbers of lawyers and limited places at the top, it was only a question of time for diversification to be put in the front burner of our discourse
5. Between January 1963 when 8 students were admitted at the Nigerian Law School and 2012, the Nigerian Law School has graduated over 50, 000 lawyers.

6. On the average, the Nigerian Law School produces an average of 6, 000 lawyers every year. Despite the high number of law graduates both within and outside the country, the Nigerian Law School is unable to absorb all law graduates.

7. A student seeking admission into the Nigerian Law School must obtain a law degree of an approved University. In the case of Nigerian Universities, there are minimum standards now called Benchmark Minimum Academic Standards (BMAS) prescribed by the National Universities Commission (NUC). Under the BMAS, there are compulsory courses made up of core courses and compulsory non-law courses and optional or elective courses.

8. Unfortunately, Introduction to Entrepreneurial Skills and Introduction to Entrepreneurial Studies are part of the General Studies programme; they are not part of the compulsory non-law courses.

9. Rule 7 of the RPC provides for engagement in business. Thus unless permitted by the Bar Council established under the Legal Practitioners Act, a lawyer shall not practice as a legal practitioner at the same time as he practices any other profession.

10. There are legal impediments to the practice of a trade or business by legal practitioners but a legal practitioner can run a partnership for the purpose of legal practice.

11. At the Nigerian Law School and faculties of law, there is poor and inadequate training of entrepreneurial skills.

12. The Bar Finals is made up of Property Law Practice, Corporate Law Practice, Criminal Litigation and Civil Litigation. This programme is weighted heavily in favour of training of Barristers than Solicitors. The Moot Trials, court and law office attachment are all geared essentially towards litigation and training of Barristers. It appears that legal training in Nigeria is just for Barristers.

13. In the last 10-15 years, there have been changes for law firms, with the phenomenon of globalization and convergence through the platform of IT and integrated markets, Governments imposed restrictions/trade barriers on exchange/movement of services and goods between countries have collapsed. This in turn has led to concentration in the last decade with the emergence of global mega firms such as Clifford Chance, Eversheds, Linklaters etc.

14. Globally, the concept of legal partnership is an accepted convention. The very first Nigerian Partnership was established in 1917

15. A law partnership faces a myriad of challenges: Ownership/partnership related challenges; Strategic Challenges; Human Resources Challenges; Challenges of continuity (succession plan); Challenges of marketing/rainmaking; Administrative/operational challenges and risk management challenges.

16. The concept of legal partnership and the responsibilities, rights and obligations are statutorily defined by CAMA, it however remains that the quintessential consensual nature of the relationship leaves many areas to the agreement of the parties. There is no contractual fundamental document regulating the relationship of the parties.

17. Unfortunately, particularly where the partnership anticipates the joining of external partners as opposed to “home grown” partners who grew under the said vision, there may be serious challenges as to culture and values

18. The succession plan of successful partnerships is not particularly appreciated for now in Nigeria in view of the traditionally personal/family nature of the practice.

19. Successful marketing is a very crucial component of a partnership, it is an indicator of the sustainability of the growth of the business as well as the long term viability of the partnership.

20. It is also the yardstick for the performance and appraisal of the partners, promotion, increase in responsibilities and priviledges and basis for renegotiation of the terms of the partnership

21. Marketing is a very delicate and sensitive issue that has been the undoing of many partnerships. The major problem is the tension that is created where only when one partner is the rain maker and the others are not meeting up with targets.
22. Partnerships should have a clear structure of the partnership in terms of policies and procedures, internal processes, communication channels, document management, cost issues etc.
23. Structures help the management of a partnership and stabilize the work and the partnership itself, It also encourages the medium and long term success of the partnership and increases the accountability aspect of the relationship.
24. Employers take the short sighted position not to invest in employees development and mentoring but rather use employees as disposable assets which eventually affect the strength and stability of the firm and elevates the one man syndrome risk (why train my future competitor)
25. The business of legal practice must have a vision and mission, business development strategy; turning strategy into action; building the business empire; re-investing in Legal Practice and Corporate Social Responsibility
26. The entrepreneur lawyer is a concept that is acquiring ground and is the future of the legal profession. Nigeria is yet to have a structure for it as there are a number of lawyers who have made this transition
27. An entrepreneur is one who initiates and assumes the financial risks of a new enterprise and who usually undertakes its management.
28. Inefficient justice system militates against economic growth. There is loss of confidence in the administration of justice which is unpredictable and corrupt.
29. Economic growth has a direct bearing on the success of law partnerships; partnerships thrive when there is economic growth.
30. Even though NBA has championed an awareness campaign on entrepreneurship, it is evident that the Nigerian legal market is fair game to the rampaging invasion from foreign law firms. This is as a result of lack of requisite entrepreneurship skills which makes it difficult to compete internationally.
31. The legal profession in Nigeria has not done well when compared with its counterparts, such as the accounting profession and their associations.
32. The expansion of the essence of the legal profession will not be captured if we do not expand the horizon of the profession.

AT THE END OF DELIBERATIONS THE ROUNDTABLE RECOMMENDED AS FOLLOWS:

1. The Nigerian Universities Commission should include entrepreneurial skills as part of the compulsory non-law courses for Law students. The curriculum should be restructured to include more practical courses such as managerial and administrative skills, deployment of technologies. Skills of leadership and management should be imbibed.
2. First and foremost, it is interesting to ascertain whether the graduates of the Nigerian Law School are fully equipped to practice as Barristers and Solicitors. Secondly, we believe that the time has come for us in Nigeria to revisit the curriculum for the training of lawyers so that there is an option for those who do not intend to be called to the Nigerian Bar. Thirdly does legal training or any formal training equip the graduates to be entrepreneurs?
3. The Nigerian Universities Commission should also review the curriculum of legal education to prepare aspiring lawyers for entrepreneurship or other enterprises.

4. The curriculum for corporate law practice should be developed and expanded to include modern trends in corporate law practice especially optional law courses including entrepreneurial skills.
5. Training Institutions like the Nigerian Institute of Advanced Legal Studies and the Industrial Training Fund should introduce courses aimed at the acquisition of entrepreneurial skills.
6. The Chamber of Commerce should also take interest in the grooming of law students to be entrepreneurs.
7. The Small and Medium Enterprises Development Agency of Nigeria can design a programme geared towards grooming lawyers for entrepreneurial skills.
8. With the number of lawyers produced by the Nigerian Law School yearly especially with the opening of the Bayelsa and Adamawa Campus, and those graduating from the Universities without being absorbed by the Nigerian Law School, there is thus the need to revisit the curriculum of Universities especially that of the Faculties of Law
9. While it is conceded that the Nigerian Bar Association will not sit over the collapse of legal practice in Nigeria, the Bar Council should be a bit more flexible in developing the Rules of Professional Conduct for Legal Practitioners.
10. Technology is a basis for growth and is pivotal to managing a medium-sized law firm. Therefore law firms should invest in technology.
11. More attention should be paid to the partnership deed, there is a need to go back to the drawing board and feed the defect/gap, engage in consultations and/or come up with a working document that would eventually be finalized and regulate the relationship. It is important to get a formal commitment from partners in the partnership business by way of the signing of the partnership contract.
12. A partnership must run in the same direction, the vision must be the same and shared or agreed to voluntarily, the mission or objective also albeit the personal motive or approach may be different as amongst the partners but not the overall objectives and methods: In other words there must be some personal alignment of personal a
13. Lawyers are usually known to be good at the productive level but not good at strategic levels in terms of management of the business of the partnership: a successful partnership requires however for the partners to think strategic
14. Partners have to identify new markets for their practice and then determine their short term, mid-term and long term goals, the methods/approaches they choose to use to achieve these helps the partnership with respect to its vision/mission as to where the partnership wants to be in the next 10years
15. Partnerships must strive to identify the marketing strengths of each partner or develop/support some of them to enable the partner function appropriately (articles, speech writing, networking, socialite, lectures, and sponsorship into board of companies.
16. Systemic branding by the partnership even though in Nigeria there are still certain restrictions relating to the conservative nature of the profession. The partnership must strive to brand its partners and its associates individually so that their individual brand would also reflect on the firm (publication, presentations, website presence)
17. Partnerships should develop access and membership of international networks for some of the partners
18. Structures should be put in place to retain and diffuse the knowledge and mentor some associates under such partners to stand in the gap or take over
19. A partnership that intends to be successful on the long term has to rethink the relationship with its fee earning and non-fee earning staff and particularly how to retain them, this is attributable to the fact that lawyers are leaving in droves because of such issues such as work/life balance, poor remuneration in a very challenging Nigerian economy

20. There is a brutal competition for legal talent and skilled young lawyers. It is crucial for the firm to acquire the right set or mix of skills in its associates
21. In Europe, there is a departure from the traditional restriction on law partnership to the creation of Alternative Business Structure combining variety of professionals (marketers, management, financial expert, corporate highly trained in house counsel) for services in the banking, insurance and financial services.
22. The structures process of selection of talents and resources that would add value to the firm, must be objective and standardized and not based on personal relationship between a partner and an employee
23. Successful strategies of retention of good hands must be hinged on offering staff incentives beyond their remuneration that would cause them to stay and grow within the firm by aligning their personal growth with the firms growth
 - Offer them a more compelling professional case to stay-not just money
 - Give them study leave and invest in their career path
 - Offer them social services
 - Develop a good mentoring system, both professional and personal
 - Give formal commendations from time to time
 - Develop and document formal career management plans and set out clear requirements and expectations for advancement to partnership
24. There should be strong communication amongst partners and maximum transparency both within and without the partnership for it to succeed.
25. Proceeds of legal practice should be used to establish legal bookshops and online libraries; Human Capacity Development; ICT Software & Applications for Lawyers; Research/Career Development Centres and Publications of Law Reports (NWLRL)
26. The lawyer as entrepreneur has two choices; he should either look within the profession to broaden his horizon or look outwards.
27. It is absolutely essential to develop skills that appeal to prospective customers, a lawyer must understand the concept of client care, marketing, the power of persuasion, negotiating skills, being savvy (well dressed and well spoken) etc.
28. It is essential that law students should be mentored at the universities. Younger lawyers should be encouraged to venture into new areas of law that have not been explored.
29. Nigerian legal practice should be expanded to include foreign participation.
30. A stronger partnership between the Nigerian Institute of Advanced Legal Studies and the Nigerian Bar Association is required for strengthening the legal profession.

Signed

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Director General