The Legal Field’s Best Kept Secret: How to Find and Hire Elite Legal Contractors

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A decade after the Great Recession, the legal marketplace is still in the midst of a seismic shift. Corporations are pushing for efficient, effective and transparent counsel from their legal providers, and considering alternative cost structures and legal talent sources. Some firms are finding it difficult to maintain existing cost structures and, in response, streamlining offerings to better meet market demand and new, aggressive pricing requirements. As a result, first year firm classes are contracting and some high-performing partners are considering taking their book of business elsewhere. While recent media coverage has focused on lawyers who pick up contract work when they are “in between” firms, little coverage has been given to a growing phenomenon: top legal professionals who make contract work an intentional, long-term career choice. For businesses, this elite legal talent can offer a tremendous strategic advantage— if you know how to identify and partner with the right talent.

What’s Driving the Trend to Contract Legal Work?

When the Great Recession struck in 2008, deal flow ground to a halt. Corporate accounts shrank as companies cut costs by opting for in-house counsel or contract talent. Law firms found themselves with far more lawyers than they needed, laying off associates and freezing hiring. A decade later, the effects of the Great Recession are still being felt as firms continue with conservative hiring policies. Today, a typical summer class might have 15 lawyers instead of 50. Firm closings outsized openings in 2017. For senior associates and partners, lateral moves are still possible, but they're increasingly more difficult to make, especially without a well-established book of business. And with rumors of another recession on the horizon, hiring may contract even further.

In this volatile climate, high performers are thinking strategically about their future. For some lawyers, putting long hours into a firm without a guaranteed pathway to the top is simply not worth the risk. For others, stepping away from a firm or in-house position will allow greater lifestyle flexibility. Still, others opt for contract work because of the professional fulfillment found when focusing on a highly specialized field, which would not be possible through a traditional firm or in-house position.

Regardless of the reason for choosing contract work, lawyers who make the choice do so carefully and intentionally. These are not legal professionals who are “forced” into the decision because their firm downsized or they need “temp work” in between positions. These specialized legal contractors are highly experienced, elite professionals at
the forefront of their industry. They’ve made a conscious decision to leave high-profile firms and in-house positions for the benefits of contract work.

These elite professionals are very different from the run-of-the-mill lawyers one might find at a “contract farm.” These are larger, warehouse-like arrangements in geographic locations like Omaha, NE or Wheeling, WV, like the one highlighted in this NPR piece. Here, the cost of living is lower and thus the cost of doing business is lower, too. These arrangements are better for general legal needs and one-off, basic needs. For example, smaller companies with limited legal budgets can save significant resources by outsourcing their legal needs here for contracts or even basic litigation.

Specialized contract talent is very different. This elite legal talent is at the top of their game in very specific fields, like data privacy or health care regulation. Knowing how to access this talent can be a game-changer for cost-conscious companies that are searching for alternatives to expensive firm retainers and in-house hires. It’s not just companies that are going after this elite contract talent. Increasingly, law firms are bringing on contract attorneys, too, which helps reduce their overall firm costs so their bids are more competitive. Now, your company can access this talent directly rather than going through a firm, where you’d pay higher for the same services.

**Why Partner with Legal Contract Talent?**

Hiring legal contractors gives businesses access to elite legal talent at a fraction of the cost typically associated with a high-profile firm retainer or specialized in-house addition. Consider the following:

1. **Access to elite legal talent companies that would otherwise be unaffordable.**

   Elite legal contractors are more likely to have worked for multiple companies over the last few years, which means they have a unique combination of deep skills and broad experience. These contractors come with top credentials: they’ve graduated from elite law schools and worked at prestigious, top-tier firms. For many companies, this talent would simply be unaffordable via a traditional firm retainer. But thanks to contractor flexibility, companies can now tap into this elite talent base.

   Additionally, because some of these attorneys have chosen to relocate from larger cities to locations where the cost of living is lower, they can offer greater rate flexibility to clients. An attorney living on a ranch in Idaho, for example, can be more flexible with rates than an attorney living in New York City or the Bay Area.

2. **Address immediate, specialized needs.**

   From data privacy to health care, changing regulations are impacting how companies do business—and no
one understands these regulations better than elite legal contract talent. Here are two examples where hiring elite contract talent that specializes in these regulations is essential to charting a legally appropriate course of action:

- Data privacy: May 2018 is the deadline for compliance with the European Union’s General Data Protection Regulation (GDPR) data privacy. This framework has a greater scope and much tougher punishments for those who fail to comply with new rules around the storage and handling of personal data than the old Data Protection Act (DPA). Companies must keep a thorough record of how and when an individual consents to store and use personal data. The previous “pre-ticked box” standard is now insufficient. Legal contractors are helping companies understand the new GDPR rules and institute new standards to achieve compliance.

- Healthcare regulations: The Stark Law and Anti-Kickback Statue regulate patient referrals. These rules are designed to prevent patients from being referred to receive designated health services payable by Medicare or Medicaid from entities with which the physician or an immediate family member has a financial relationship. Now, companies are facing new compliance challenges during the transition to value-based payment models. Legal contractors are helping companies navigate these challenges and stay compliant with the complex rule sets.

3. Flexible solutions: only pay for what you need when you need it.

By working with a legal contractor, your company does more than just gain access to deep expertise. You can immediately apply this best-in-class knowledge to current problems without the cost of a full-time, senior-level hire. This is an ideal arrangement for companies with ongoing needs that may vary month-to-month. You’ll have access to the specialized talent you need, and only need to pay for it when you need it.

In addition to salary costs, taking on a fulltime employee comes with its own gamut of paperwork and tax obligations. When hiring contract legal talent, a recruiting agency like Lucas Group typically handles the paperwork on your behalf, streamlining the onboarding process. Plus, since contractors are not full-time staff, you will face a reduced tax burden. Your company also won’t have to worry about benefits like health insurance, retirement contributions or seasonal bonuses—these will be all handled by the agency making the contractor placement.

4. Immediate start dates when partnering with a recruiter.

Bringing on contract talent through a recruiting agency should be a fast, efficient process. At Lucas Group, for example, all our contract legal talent is fully vetted and ready to hit the ground running. There’s no time lost to background checks, compensation negotiations, or paperwork. Opting for contract talent can shrink the onboarding timeline from months to days, providing immediate solutions that keep your company ahead of the curve.
Next Steps: How to Find and Hire Elite Legal Contractors

Ready to hire elite legal contractors who will hit the ground running on day one? The following steps will position your business for success:

1. **Evaluate needs and set internal expectations.**
   Before bringing a contractor on board, it’s critical your company carefully considers project scope, timeline and budget. For example, how will the contractor interface with your current in-house team or legal firm, should you have one on retainer? Who will be responsible for establishing project scope, managing the deliverable timeline, and providing feedback? Conflicting instructions or multiple stakeholders who disagree with outcome requirements can cause confusion, frustrate your legal contractor, and set the project up for failure. Establishing roles and responsibilities with internal stakeholders upfront will make the onboarding process much easier and support a positive, professional work environment.

2. **Choose the right agency partner.**
   Rather than trying to source elite talent yourself, consider working with an established recruiting agency that will handle the process end-to-end. The agency will handle payroll, agreement and logistics, including vetting potential contractors and completing a background check. You can even get a jump-start on the process by having all your paperwork in place before a legal contract need arises. If an urgent need occurs, a recruiter will ensure that your team immediately has the legal talent necessary to address this challenge. There’s no need to wait weeks or even months to find and onboard the right person.

3. **Prepare for time-sensitive projects early.**
   If your need is time sensitive, like an upcoming enforcement deadline for new regulations, keep in mind that many other companies will be facing the same deadline. While an agency will have a strong bench, at the end of the day there may still be a limited number of elite legal contractors who specialize in this field. Yes, legal contractors can hit the ground running– but if you wait until the last minute to reach out for help, you may find the talent pool is empty.

With the legal marketplace shifting, companies must think strategically about the best ways to address their needs moving forward. Opting for contract talent offers an efficient, immediate and cost-effective solution without sacrificing quality.

Partnering with a recruiting agency to source this elite talent offers additional benefits that go beyond meeting immediate project-based needs. The right recruiting agency can also ensure year-to-year continuity of services. Whether your business needs tax support one month or regulatory compliance the next, the same agency can bring in the right legal expert each time. The right recruiting agency will have a deep roster of legal talent, serving as a consultative partner between your company and this talent as your needs evolve.