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Top Five Law Firm Trends in India

What India's top law firms are doing to stay ahead of the curve.

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The Indian legal industry has been expanding rapidly over the years in spite of global recession. With growth comes increased competition and India's top law firms are looking at innovative ways to stay ahead of the curve.

This article showcases the top 5 trends that can be observed at a nascent stage today in Indian Law Firms and will become increasingly apparent in the future.

1. Mergers & Acquisitions and Breakaways: The competitive nature of the Law Firm Industry in India has created a situation where Firms are looking to merge and acquire in order to strengthen

and consolidate their position in the Industry, while Lawyers are looking to break away in order to create their own identity. Top tier firms are using alliances and acquisitions as growth initiatives, mid-tier firms are looking to expand their geographical presence and practice areas through acquisitions of other mid-tier firms. Conversely, Partners and senior associates are increasingly breaking away from top firms, either to start their own practice or establish synergies with other law firms.

2. Niche versus Full Service: There is a new fight between Niche and Full Service law firms partially due to the trend of breakaway firms. It is becoming evident that clients are looking beyond brands and look towards confidence and comfort that they share with Individual Partners and therefore follow them to their new Firm. Although most firms in India aspire to be full service, mid-sized firms are turning their size disadvantage into a competitive edge, by focusing on specific practice areas, and promoting expertise and quality over quantity.

3. Partnership Structure: Faced with Boutique firms and increasing breakaways, traditional family partnerships and firms over reliant on their founding partners are focusing on streamlining their organizational structure. There has been an increased focus on showing lawyers at the firm a path towards achieving meaningful partnership and devising various modifications to the Partnership structure, governance and management models.

4. Firm Management: In line with their growth, Law firms are moving away from ad-hoc, founding partner driven management methods towards a more professional approach by devoting increasing resources towards a structure management system. Firms are now concentrating on a comprehensive growth strategy inclusive of marketing and branding, business development and knowledge management initiatives.

5. Globalization: Law firms in India are increasingly attracting international attention and foreign law firms see the monetary potential of associating with the Indian Legal Industry. Liberalization has become a non-issue for most firms and relationships with Indian firms (Best Friend, Non-Exclusive Arrangements etc.) ensure that international clients are adequately represented by Indian and international counsel, leading to more efficient international transaction management.

These trends suggest that the Indian Legal Industry is on a growth path which will be very difficult to slow down, the pie is definitely big enough for all the players, however all that remains to be seen is who manages their firm well enough to take the biggest share.

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