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# Downturn gives smaller law firms crack at talent

Recruitment expected to rise as the big four firms retain fewer pupils.

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(SINGAPORE) The big four law firms here are no longer sucking up all the pupils and junior lawyers as corporate work dries up. This gives their smaller rivals a chance to recruit some talent.

'I understand that the big firms which usually scoop up all the pupils are not retaining a significant portion of them,' said Stefanie Yuen Thio, head, corporate, TSMP Law Corporation.

'In the red-hot legal market of past years, a lot of firms were hiring anyone with a law degree and a pulse,' said Mrs Thio.

The big four with between 230 and 280 lawyers are Allen & Gledhill, Drew & Napier, Rajah & Tann and Wong Partnership.

Rajah & Tann told BT that it retained 35 out of its current batch of 42 pupils.

'Our ability to maintain such strong pupil retention numbers - despite these trying times - underline our confidence that the firm is in a strong market position and will be more than able to ride out the economic storm,' said senior counsel Steven Chong who's also Rajah & Tann's managing partner.

'As always, starting salaries for the current batch of retained pupils will remain very competitive and in line with the pay levels of our main competitors,' he said.

The firm has already hired a number of lawyers this year said Mr Chong, adding 'obviously we have to be more careful with recruitment in the current climate.'

An Allen & Gledhill spokeswoman said that the firm takes in between 20 and 30 pupils.

Both Drew & Napier and Wong Partnership declined comment for this article. According to Drew & Napier's website, it currently has no openings for lawyers.

'Clients are not willing to pay for large teams of lawyers with expertise in each specific area of law,' said Mrs Thio.

'I understand that some very reputable firms are retrenching,' she added.

TSMP, a medium sized firm with 40 lawyers currently has three pupils in its litigation unit, with an additional two (transfers from a large firm) joining it shortly, she said.

Colin Ng & Partners said that the 60-lawyer firm is enjoying a surge in pupil applications. It recruits up to three pupils each year.

'We see more applications from young lawyers and pupils who are currently at some of the bigger law firms,' said Wong Shyen Sook of Colin Ng & Partners.

'The other obvious change is that we see more applicants expressing interest in the litigation practice. As compared to previous years, most of the applicants were applying for corporate positions,' said Ms Wong.

For the past several years, the big four would take in practically all the 240-250 law graduates from the National University of Singapore as pupils and the retention rate was typically at least 80 per cent. Pupillage at a law firm is a requirement before law graduates become lawyers.

Smaller firms found it hard to compete with the high \$2,000 monthly allowances paid to pupils during their six-month training stint and the subsequent starting salaries of between \$4,500-\$5,000.

Even when they were willing to pay similar salaries, it was hard to match the reputations of their bigger rivals.

'The big law firms, in good times, they just take everything. It's like the buffet table, we couldn't even get to the table,' said Max Ng, managing director, Gateway Corp, a boutique legal practice with eight people.

Gateway has been getting applications from pupils, who were told they would not be retained at some of the law firms, he said.

'We couldn't get any pupils before. For lack of a better word, they're available now,' he said.

Smaller law firms say that they are still able to hire because they had not expanded as fast during the boom years. They also point to litigation and dispute resolution as growth areas in the present recession.

'Clients are moving to us from bigger firms because we're more cost effective,' said Mr Ng. Gateway's hiring and its starting salaries are in the \$3,000 plus range, he said.

TSMP said that it had cut expenses elsewhere to attract top young talent.

The firm's starting pay is \$5,000 per month, said Mrs Thio and its partners' salaries were kept deliberately low to maximise cashflow for the firm.

The downturn may help ease the shortage of lawyers. Said Alan Tan, vice-dean (research & graduate studies) NUS law faculty: 'Remember that we have been having a shortage of lawyers for many years now, so the current economic climate is probably helping to create a market equilibrium of sorts.'

*This article was first published in [The Business Times](#).*

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