

Transitioning from an Accounting Firm

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Many law students, for a number of different reasons, make the decision to start their careers as tax attorneys. Some are helped along by the Big 4 accounting firms' coming to law school campuses and recruiting them. For several reasons, this is an attractive offer. You meet the attorneys within the tax practice, and they seem different from those at the large firms. They are charismatic, gregarious, and have business acumen. They tell you how associates at their firms put together presentations and have almost immediate client contact with Fortune 1000 clients throughout the region. They claim you will be reading the tax code and writing memoranda on different issues that relate to your clients. You walk out of the interviews pretty pumped up. On the other hand, a large law firm looking for tax associates will give you a much different feel when it interviews you. The tax attorneys at law firms are less sales people and more grinders with not much personality and, for the most part, are servicing M&A practice clients, as opposed to their own clients. So you decide that you like the feel at one of the Big 4 and believe that you will get the training necessary to become a good tax attorney. Even though you will have to take a pay hit compared to your colleagues going to the large firms, you know that the partners at the Big 4 make as much as, if not more, than the partners in law firms. So you accept an associate position within the Federal, SALT, International, ERISA, or M&A practice group.

Whether it's two or ten years after the commencement of your Big 4 experience, you may start to feel that it's time to make a change. This could be for any number of reasons:

- The work is not as sophisticated as you would like;
- Your salary and bonuses are still far behind what other associates are making at the large law firms;
- You just want to have the opportunity to practice at a law firm;
- You are not getting the client interaction as promised;
- Sarbanes-Oxley is having a negative effect on your business-generation abilities;
- The firm is laying people off.

Regardless of the reason, you feel that it would be best to transition your practice to a law firm. In years past, you have seen some of your peers move to the large firms with relative ease. You went to good undergraduate and law schools and now have a substantial amount of work experience, so you feel that you are in a good position to make the move.

So you do research on firm websites and look through job postings throughout your region, applying to large firms that have a need for someone at your level and experience. And you wait. Three weeks have gone by, and you have heard nothing. Soon after, you get rejection letters in the mail, and you ask yourself what went wrong. You just don't understand why someone with your level of experience would have any problem landing a position at a law firm.

The following is an explanation of why it can be so difficult to transition your practice from a Big 4 accounting firm to a large law firm.

A. The History

The current market is very different from that of just a few years ago. In 1999, the law firms could not get enough good associates. The recruiting companies had many more positions than they had good candidates. [Tax associates at the Big 4 were getting phone calls at least once a week to come in and interview at the big firms in town.](#) The firms lured associates with more money, sophisticated work, and prestige. Many associates left at that time to transition their practices out of tax and move into corporate

technology or to continue their legal careers in law firm environments. If you were a manager, senior manager, or partner, you always had the possibility to move, but were more reluctant because you saw that being a partner was a real possibility and there was no need to move to a law firm. You built up your practice, had great client contacts, did good work, and were well received by the partners and other senior managers.

Since 2001, there has been a steady decline in this activity, starting with the fall of Enron. We all know that Enron led to the demise of Arthur Andersen, and vice versa, which had hundreds of thousands of people across the country looking to get out of Big 4 life. Most of the attorneys and accountants ended up at the other big accounting firms while looking for law firm and in-house opportunities. After the crumbling of Andersen and Enron, there were many accounting scandals throughout the country, with many companies declaring bankruptcy. The market was flooded with resumes of partners and senior managers who had been "lifers" and would have never thought to leave their respective accounting firms. Also during this time, there was an uncertainty as to whether Sarbanes-Oxley was going to allow the tax professionals to work with the audit clients. Since then, Sarbanes-Oxley has been clarified, but it seems that many Big 4 lawyers are still looking for in-house or law firm opportunities.

So one of the reasons why it is difficult to make the move now is because you are competing against the attorneys to the right and to the left of you in the office. There are also layoffs still going on throughout the Big 4 because work is down in some areas, and when Deloitte & Touche and others brought on so many people, it was inevitable that some would be let go. On the flip side, the corporate work has all but dried up at the law firms over the last few years. From M&A deals to IPOs, corporate attorneys have not been billing. We are seeing more senior-level corporate attorneys quietly being asked to leave more now than ever before. As you well know, most of the tax work comes from deals the corporate partners are working on; therefore, tax work has declined as well. So there are many tax attorneys looking for law firm work and very few positions in which to put them.

Even when there is an opening, some of the law firms do not look very favorably upon moving associates or manager-level attorneys from Big 4. This is, in part, due to a stereotype held by some that the writing skills and sophistication of the work at accounting firms are not up to the standards of large law firms. This can be a very difficult hurdle to overcome, but there is still hope.

B. How to Land that Large-Law Firm Job

1. Use a Recruiter

a. In some, but not all cases, it's a good idea to use an experienced recruiter who has worked as a tax attorney. The reason why this is important is so he/she can explain your practice and help the partners at the law firm understand that you do have the skill set necessary to be successful and how you will be an asset to their tax practice. Just sending a resume and cover letter in this market probably isn't going to cut it with the large law firms. You need an advocate to present you to the partners and persuade them that it would be a great idea to add your skills to their practice.

b. If you are a partner or senior manager and would like to transition your practice to a law firm, you would also be best served by a recruiter. Some law firms are very traditional and believe that there is no place for the Big 4 tax practice within the realm of a law firm. They believe that their clients may look negatively upon the firm or that the contingency projects are too risky a proposition to take on. Then you have the progressive law firms who view a Big 4 practice as either something that they are doing already as an added value to their existing clients or an opportunity to expand into a new area where they can generate more revenue and build a tax practice. A good recruiter has already identified possible fits for you and put together a marketing strategy for each firm.

For a partner or [senior-manager-level attorney](#) to be attractive to a law firm, he/she must have portable

business or a very clear track record of success. Most high-level Big 4 attorneys cannot necessarily show actual [portable business](#) because their clients are institutional to the accounting firm. However, the partners can show who their contacts are in the marketplace and what type of revenue they have generated each year over the last three years. They should also be able to make revenue projects for the next three years. A good, experienced recruiter will help you devise a business plan that speaks to the needs of each specific law firm that was identified as a possible fit for your practice. In some situations, the partner or senior associate will be starting a new group to complement existing practice groups. [An experienced legal recruiter](#) will be able to sell your tax practice to the large law firms.

2. Go to a Small Law Firm and Then Transition to a [Large Firm](#)

a. If you are an associate, sometimes it is best to go to a smaller law firm and then eventually transition your practice to a larger firm. At a smaller firm, you can gain good experience that will put you in a better position to land a large-firm job when the market picks up, as you will not have to overcome the barrier of never having law firm experience.

The way to get an offer at a smaller firm is through networking. Call up the managing partner of the firm. Ask if you can come in and speak to him/her about the current and future plans for the tax practice. [send a resume](#) and cover letter to the [managing partner](#) or a tax partner in the firm. Express to him/her that you have good experience and that you now want to apply that experience in a small law firm setting. Even if the firm does not have a position right now, you will be one of the first attorneys it calls once it does. After a few years, the market will shift, and you will be in a better position to land that large law firm job than your colleagues still practicing at the Big 4.

Conclusion

Currently, it is probably one of the tougher markets for accounting professionals to move to law firms. That being said, some law firms see this as a great opportunity to gain new practice areas or complement existing ones while generating revenue for their firm. It is important to work with an experienced recruiter, preferably one who has placed partners and associates out of the Big 4 accounting firms and into law firms to assist you with the transition. [Good luck with your search](#) and landing that big-firm job!