



Why Going In-House Is Often the Worst Decision a Good Attorney Can Ever Make

By A. Harrison Barnes

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Why Going In-House Is Often the Worst Decision a Good Attorney Can Ever Make

By A. Harrison Barnes

Summary

Learn why the belief that **going in-house** is a good career move is completely wrong and what going in-house actually does to your legal career.

When I was practicing law, one of the strangest things I noticed was the tendency to hold two types of “good-bye parties” for attorneys leaving the law firm.

- If the attorney was leaving to go to another firm, go to work for the government, start a firm, or do nothing, it was generally a small, boring affair where sometimes only a few people showed up.
- But if the attorney was leaving to go in-house — well, that was another story!

Partners often dropped everything to show up at a parting lunch where they fawned over the leaving attorney and complimented him and wished him well and told him how much he was respected and what good work he had done. Everyone seemed to show up at these lunches — even the most important attorneys in the law firm. I had no idea why this was. Partners jockeyed for position to sit next to the

attorneys and treated them like legal heroes. You have never seen an awkward, thin, four-eyed pencil pusher look so glorious. For a few moments in their lives, they have become legal gladiators to be admired and respected. You could still feel “the glow” surrounding their presence hours after the parties. Many even received parting gifts from partners and others.

These lunches were unlike anything I had ever seen — and a real antidote to the depressing affairs of other attorneys leaving the firm. Knowing what I know now, these lunches should not have been a cause for celebration at all. Instead, they should have been FUNERALS marking a sad end to a talented attorney’s career.

In the book (and movie) *The Hunger Games*, the children who are chosen to go off and fight to the death, known as “the tributes”, are given wonderful food and treatment before they go



off to die in a fight they are almost guaranteed to lose. They are treated incredibly well by superiors, who for the most part were never very nice to them and forced them to live in bleak, depressing circumstances. For one moment, however, before they go off to die, people are very nice to them and make them feel important. This is exactly what a parting lunch for an attorney getting ready to go in-house is like.

Nothing is ever as it seems inside of a law firm, and the myth surrounding not just the parties but the **WHOLE ROMANTIC IDEA** of going in-house is one of the strangest and most dangerous Jedi mind tricks in the entire legal profession. Going in-house is a **CAREER KILLER** and something that has destroyed the careers, lives and families of more attorneys than I can count. I speak with them every day and it is depressing and just plain wrong.

But first let's get to some cold hard facts that perpetuate the myth that going in-house is somehow a good thing:

Who would not want to go in-house after seeing one of these legal celebrations for departing tributes?

Never in an attorney's career will she be lauded and made to feel so good about herself again. Who could not think this is the right thing after getting so much positive feedback? You are a hero, not just in the eyes of your superiors but in the eyes of other attorneys as well.

FACT: Partners and others make attorneys feel good about going in-house for one simple reason: That attorney might give them business in the future. This is a cold, hard, simple fact. While many attorneys are likely to meet mentors and others inside a law firm, from a business standpoint, partners and others care



very little about departing attorneys unless they believe those departing attorneys will give them business in the future. They do not show up at the parties of attorneys leaving for other pursuits because they do not care.

Keep in mind that working in the legal profession and staying employed in high-paying competitive law firms is a game. Good attorneys understand this and they are going to KISS ASS to anyone whom they believe can help them on their way. Good law firm attorneys go out of their way to meet and ingratiate themselves with anyone they believe can help their careers — and in this case that means giving them business.

This is the way the profession has worked for thousands of years — it has not changed and will always be like this.

Who would not want to go in-house after working often inhumane hours inside of a law firm and being treated so poorly?

That's right! If you are unhappy or overworked in one environment, a different environment surely looks better. Just like "the tributes" from the The Hunger Games! Volunteer for something different and all of a sudden your life changes and everyone is nice to you! The environment is the problem! Switch environments — it is that easy. This is all you need to do to make a great living and have a long, happy legal career!

FACT: Going in-house is not always a career saver that makes people happy. Most often, going in-house is a career killer. I will elucidate the numerous reasons for this below; however,

here are a few of the reasons this is such an insane choice for most attorneys:

- Your skills will deteriorate rapidly and significantly. The most important work will be sent to law firms and not done by you.
- You will become a “cost center” and not a profit-generator (in most instances) and will be one of the first to go when the company experiences problems — and all companies do.
- You will no longer be employable by almost any law firm whatsoever when you lose your job — and you most likely will lose your job inside of a company.
- Most companies want to hire younger attorneys (often from law firms) with “fresher” skills than an in-house attorney coming from another company.
- Without clients of your own, you will have zero control over your career.
- When the company experiences some significant legal problems — and most companies do — you and others in the legal department who “touched” the matter will all likely lose your jobs.

- Most attorneys inside of companies are the “resident buzz kills” who spend their days covering their asses by telling management (i.e., people actually doing things) what is not possible. They become impediments to getting things done and are often not liked too much by people inside of the companies either (i.e., they become more isolated and lonely inside of companies than they were inside of law firms).

Who would not want to go in-house after being surrounded by LEGIONS of other associates and others who constantly talk about going in-house as the DREAM?!

One of the most INSANE conversations I have with GOOD ATTORNEYS on a daily basis is when they tell me they are interested in going in-house.

- It does not matter what firm the attorney is at — they could be at **Wachtell, Davis Polk**, or any other number of **great firms**,
- They could be making \$450,000 a year as a junior-non equity partner,
- They could be outstanding attorneys who have written and spoken extensively about what they do,
- Many even have lots of clients — I spoke with one attorney on Friday who wanted to go in-house who had \$3 million in business.

It really does not matter who the attorney is: Regardless of their qualifications, these attorneys somehow think **going in-house** is

a dream and something that is going to change their lives and careers for the better.

When the entire culture of a law firm and the people in it are always promoting and saying how great going in-house is, there must be something to it. Most people — attorneys included — are followers and if everyone is saying something is a great idea, it must be true. Especially if people with great qualifications are saying it.

FACT: The smart associates and others who are talking about how great it is to go in-house are *not talking about this because they want to go in-house*: They make this seem like a good decision because getting rid of you means there is less competition for them.

The smart partners who encourage other partners that this is a good decision (1) want your clients and (2) a bigger share of the profits. No one inside of a law firm is ever going to tell you that going in-house is a bad idea **BECAUSE IT DOES NOT BENEFIT THEM**.

Nearly every attorney wants to be liked by other attorneys. By romanticizing going in-house and making this seem like a great thing, the smart attorneys are helping themselves and improving their own careers at your expense. If anyone is telling you that going in-house is a good idea then you should smile and get the hell away from this person. They are dangerous.

You may wonder why I have such negative opinions of going in-house. I am a legal recruiter and make my living placing attorneys. There are attorneys for whom going in-house

may be a good idea (and I will get to these attorneys shortly). However, going in-house is a horrible decision for most attorneys and something that can destroy their careers. Most attorneys go in-house because of a massive amount of misinformation that is out there. It almost never is a good decision.

Working as an attorney for clients who pay you for your services is something that has been around for thousands of years. The billable hour is a relatively new invention — but attorneys coming together and representing various businesses and individuals has been around for as long as the practice of law has existed.

It is the legal system itself that has changed. With large industrial law firms, hundreds of law schools and a relatively low barrier of entry into the legal profession,

associates and partners have become “commoditized” and are valued and advanced essentially by (1) how many hours they work and (2) how much business they have.

With the rise of giant American corporations in the United States after World War II (when the rest of the world was rebuilding itself) law firms began building themselves up to mirror the way corporations operated and grew to accommodate the business from these new corporations. As this happened, the law firm began to

“depersonalize” its attorneys. The attorneys that did not have the potential to rise inside of the now more competitive and demanding law firm (or were not succeeding) were sent to work inside of the corporations so the law firm would have “allies” to send it business. Prior to this time, it was rare for an attorney who joined any law firm as an associate to ever leave — much less go to work inside of a corporation. To attract the best talent to impress their corporate clients, law firms began paying higher salaries to new associates with the expectation that they would get the best people—even if they did not last.

As associates and others began participating in this law firm assembly line, the “lure” of **going in-house** became something that was perpetuated by the law firm management

and others for the lowest performers who did not have the potential to advance. Regardless of how this was “couched”, the whole idea of going in-house was and always has been a way for law firms to get rid of people it does not want, make them allies of the law firm and people

disposed to give the “real performers” future business. No one ever tells attorneys this, but the myth of going in-house really has been perpetuated by law firms and others to make room for better people that have what it takes and understand what being a good attorney really means.

“It is the legal system itself that has changed. With large industrial law firms, hundreds of law schools and a relatively low barrier of entry into the legal profession, associates and partners have become “commoditized” and are valued and advanced essentially by (1) how many hours they work and (2) how much business they have.”

So the natural questions you may be asking yourself are “what does it take?” and “what does being a good attorney really mean”?

The answer to both of these questions is surprisingly simple and has remained constant as long as there have been attorneys. The form has changed, just not the substance.



If you were practicing law in a New England town of 10,000 people or so a hundred years ago, the odds are that you would be a solo practitioner. There would probably be a few other attorneys in your town that you would also be competing against to get work in the town.

- The most successful attorney in the town would likely be the attorney who engaged with the community a lot and was trusted by a lot of people.
- This attorney would also take his clients' interests very seriously, really bond with them and do everything he could to make sure his clients benefited from using him — whether it was winning a case, being protected in a transaction, or avoiding a problem.
- The attorney would charge fair rates, be respected by others in the community and

thought of as a real advocate.

- The attorney would probably be a member of various local organizations and would write articles, give talks and do other things to get himself out there.
- These kinds of attorneys would show up to local funerals, be invited to weddings for client families and generally get out there and be seen and trusted.

In contrast, the least successful attorney would not do these things. He would not get out there and be seen. His work product would be less thorough and he likely would not be overly concerned with winning or protecting his clients. These attorneys would be more interested in themselves and their needs than spending time joining organizations, or trying to meet new clients and going to various functions. They might be smart, but none of that really matters. They would not be trusted to do a good job and would not be out there being seen. They might care so little about practicing law that they would be happy to take a job with the government or some other job where they could “coast”.

In reality, being a successful attorney today is no different than it has ever been. The important components of being a successful attorney involve (1) being seen, (2) being trusted as a real advocate and (3) bonding with a variety of people. Not doing any of this is what makes an attorney unsuccessful.

What has changed as law firms have become more “industrial” organizations is that people get into the practice of law and stay there that would have not done well a long time ago. A few hundred years ago, if you graduated

from law school, the odds are you would have been practicing on your own. In order to get business and survive, you would have needed to get out there and meet people and have a pleasing personality. You would need to impress people with your work product, and this would have been something that would have been *an overall driving force for you — not how many hours you billed*.

If you worked inside of a small law firm, it would have likely been with another attorney, and she too would have encouraged these sorts of behaviors in you to build her own practice and make the two of you successful.

In contrast, none of the behaviors that make a really good attorney today are really emphasized for attorneys in most law firms. With the billable hour taking “center stage”, attorneys are valued more for their ability to bill hours than their ability to bond with clients, get new clients and, in many cases, even the quality of their work. This has resulted in a de-emphasis (or no emphasis at all) on the things that are actually important to most attorneys’ careers in modern law firms, because the people at the top simply need billing machines.

Though it may sound depressing, that is how it is. Young attorneys and senior attorneys without business are simply “billing machines” and that is their role in an industrial law firm. They are fungible commodities that can be rapidly replaced and whose careers no one really cares about. What the law firm needs are simply people that can bill as many hours as possible — the more the better! The attorney will be kept around as long as there is enough billable work to keep them busy. When it dries up (and it

generally always does as the attorney gets more senior with an increased billing rate that “prices them out”), the attorney will be kicked to the curb and unceremoniously wished a “nice life”, and a new younger attorney (with lower billing rates and more energy) will be brought on to repeat the process.

The lucky ones may get jobs in-house and then they can be “heroes” after enduring this process.

Wash, rinse, dry, repeat ... Wash, rinse, dry, repeat ... Wash, rinse, dry, repeat ...



This really is what occurs all over the world with attorneys now. It is part of the lure of going in-house, but attorneys are all missing the forest for the trees: ***The only thing that matters is having business and building a book of business. The longer an attorney puts this off the more screwed that attorney will be.***

The entire goal for an attorney’s career has never changed: Your responsibility to yourself and your career is to get out there, meet people, make a name for yourself and get some business. Once you have a stable book

of clients, you are set and your career can continue indefinitely.

If an attorney has a large book of business, she can generally work wherever she wants — in practically any firm she wants. If you have big enough clients and a large enough billing rate, you can work in just about any law firm in the country you want to — *regardless of where you went to law school, or how you did there.*

I've seen attorneys who went to fourth tier law schools and had lousy grades but understood the rules of the game. They started out in small firms and then got bigger and bigger clients and kept rising and now have base salaries of over \$2 million at the most prestigious law firms in the country.

There is no limit to what any attorney can do who understands and plays the rules of the game.

I know one guy that went to an UNACCREDITED California law school and was dyslexic and had all sorts of learning disabilities. He understood the rules of the game and got out there. He ended up getting an LLM from a good law school (something any attorney can do — they are not hard to get into at the LLM level) and became a big time partner in a major American law firm. He has a huge book of business, and despite his learning disabilities and other issues (his style of practice is more “talk” than substance, in my opinion) he really cares about his clients and does a PHENOMENAL job getting out there and meeting people. He even got a job as an adjunct professor at a top 15 law school.

THIS IS THE GAME! This is all you need to do

in order to be successful practicing law. That is why the best attorneys come out in droves to celebrate an attorney going in-house: They want clients and understand the game very, very well!

Unfortunately, this game has no connection with going in-house or what it means to be an attorney. If you go in-house this all ends. When you go in-house:

1

Your skills will deteriorate rapidly and significantly. The most important work will be sent to law firms and not done by you.

In most cases, attorneys who go in-house are going to face rapidly declining skills and an environment that does nothing to maintain their skills. Law firms are very good at keeping the skills of their attorneys up.

- For one, most attorneys inside of law firms are “specialists” and doing only one type of work.
- In addition, law firms generally give you a lot of the same type of work to do.
- There are all sorts of checks and balances inside of law firms, like people reviewing work, other attorneys offering input and so forth.
- New legal developments also quickly move through the grapevine of law firms and attorneys learn about this information and incorporate these into their skill-set quickly.

The constant amount of work, emphasis on detail and level of analysis inside of a law firm is most often far, far beyond what in-house attorneys receive. The pressure to constantly produce good work for paying clients (who can

take their work elsewhere) also increases the quality of work that law firm attorneys do.

In-house attorneys quickly learn that it is much easier to give challenging work to outside counsel than to do the work themselves.

The culture of most in-house legal environments is

such that in-house attorneys quickly learn that they can use the money and resources of the company they are working for to “deflect” challenging and time consuming work elsewhere. This not only gives the in-house attorney more time to do nothing, it also serves that “added” function of helping them “cover their ass” and make sure the work is done well (so they do not get fired).

As their skills deteriorate more and more, many in-house attorneys do everything in their power to send work to outside counsel. They realize that their self-imposed laziness has made them increasingly clueless and incompetent when it comes to the important issues relevant to protecting their company. As this process continues, outside counsel will start joking among each other about how little the in-house counsel knows and using this lack of knowledge to charge the company even more money and make issues seem far more complex to the clueless in-house counsel than they actually are. The in-house counsel gradually becomes “the fool” to law firm lawyers.

When the in-house counsel does sit down to do some semi-serious work — whether it is writing a memo, marking up a brief, or putting in some time in transaction-related documents

— the law firm lawyers are always very quick to laud the in-house counsel and tell them how “brilliant” and outstanding their work was and run this up the chain to corporate management, if possible. As the in-house

counsel is praised to upper management, they reciprocate by sending the law firm more and more work

and creating even further inefficiencies and waste for the company they have been hired to protect and save money.

2

You will become a “cost center” and not a profit-generator (in most instances) and will be one of the first to go when the company experiences problems — and all companies do.

Attorneys are hired all the time to go to work for companies to assist with projects that can last anywhere from several months to a few years.

- A company embroiled in contentious litigation will happily bring on a few litigators from a large law firm to save them millions in legal fees (until the litigation ends).
- A company involved with acquiring several companies in a space may get a few in-house attorneys from a firm like **Skadden Arps**, for example, to save it millions (until the acquisition spree ends).
- A company needing to do lots of patents in a space will happily hire some patent attorneys to do the work (until they are done writing the patents).

I am a recruiter, and as part of my job I speak with candidates all over the world that are

seeking jobs. I cannot tell you how common it is for in-house attorneys to lose their jobs when the work dries up, or the company experiences financial problems. I would estimate that there are thousands of these attorneys in every decent-sized city in the United States. They become desperate for work after they lose their jobs and it becomes incredibly difficult for these attorneys to find any new job.

When things slow down inside of companies, they generally will save money by getting rid of people that cost them money and fail to generate money.

- Inside of a law firm, if an attorney is billing hours and generating enough to cover her salary and overhead, she is generally safe and will not lose her job.
- If an attorney has business of his own, he can always support himself, and if he has enough business and he can support a law firm as well, he will never lose his job.

An interesting thing I see a lot of are in-house attorneys that either (1) lose their jobs or (2) quit working in-house and are under the mistaken impression that the company will send work their way when they leave — even enough work that they will make more money working on their own!

ARE YOU F^\$#ING KIDDING?

I've seen this happen a few times in my long career as a legal recruiter, but not often. In-house attorneys are regarded as SECOND OR EVEN THIRD STRINGERS, and once they go in-house even the management of the company starts thinking of them as less competent than outside counsel. They are the weak

gazelles that the lion was able to grab from the herd. Since in-house attorneys are seen as less competent, they are not the sort of attorneys the company is going to send work to when they leave. Regardless of what the attorney may think of themselves inside of the corporation, they are almost always regarded as less competent than outside attorneys.



They also do not have the name of a big law firm behind them — which companies take pride in using.

None of this is meant to be disrespectful to in-house attorneys, this is just how it works. Most companies will not send work to in-house counsel once they leave because they are simply not regarded as highly as attorneys from law firms.

3

You will no longer be employable by almost any law firm whatsoever when you lose your job — and you most likely will lose your job inside of a company.

Many attorneys who go in-house are under some sort of PSYCHOSIS and think that when they go in-house they will be able to go back

to a law firm again. Huh? This is almost an impossibility.

Why would a law firm want you back? You have already proven you are a weak gazelle and will likely leave them again. You already have left the “game” and showed that you are not interested in playing it. Your death as an attorney has already been celebrated by other attorneys and you were given a farewell “death lunch” when you left. Your law firm career is dead.

Do attorneys who go in-house ever return to law firms? Of course they do. Most often it is patent attorneys and tax attorneys with “nerdy skills” that are in demand by law firms that need “back office types” that can work anonymously as long as there is work available. Corporate attorneys sometimes can go back. Litigators almost never can. ERISA attorneys can sometimes go back, depending on how specialized they are.

All of this is to say that law firms are generally not going to welcome any in-house attorney back. They have shown they are not part of the fraternity. Going back is exceedingly rare. Generally the attorney that tries to come back needs to have (1) awesome qualifications — top law school, grades and initial law firm, (2) incredible recommendations from a prior firm (“Best associate we’ve ever seen!”) and (3) not more than a few years of experience — generally no more than five with about one or two years of that being in-house (with a powerful in-house company with a great reputation).

Those are the basic parameters, but to be completely frank, it rarely works out. For the most part, the attorney who goes in-house becomes a pariah to law firms.

How bad is it?

I’ve seen in-house attorneys from major corporations lose their jobs after sending TENS OF MILLIONS OF DOLLARS in business to various law firms. But those law firms that once kissed their asses, asked about their families, remembered birthdays and were very, very nice to the in-house attorneys when they were sending them business GO 100% COLD when the attorney leaves, or is fired and tries to get the law firm to hire them. None of it matters. Law firms look upon in-house attorneys in a negative way and almost never hire them. They do not even return their phone calls. It is sad, shocking and amazing, but this is what happens.

I’ve seen this so often it makes me both angry and sad, but it is what it is. Law firms generally do not respect in-house counsel, will never hire them and do not want anything to do with them after they leave. Most law firms think in-house attorneys are losers. I hate to be so direct, but it is a point that has to be made bluntly because it is true — and you sure as hell better understand this before **going in-house**.

4

Most companies want to hire younger attorneys (often from law firms) with “fresher” skills than an in-house attorney coming from another company.

Some companies want in-house attorneys coming from similar companies. For example, a pharmaceutical company that does a lot of acquisitions of smaller pharmaceutical companies may prefer an attorney coming from another pharmaceutical company that does the same thing. A real estate company that builds

shopping centers may prefer an attorney from another company that builds shopping centers.

However, for the most part, when companies are hiring in-house counsel, they are interested in younger attorneys and (most often) younger attorneys coming directly from law firms.

If the attorney is coming directly from a law firm, the company feels like it is getting a better deal: “We were paying \$450 an hour for him at **Bingham McCutchen** and we only need to pay him \$175,000 a year here!”

Also, smart companies know that younger attorneys coming directly from law firms are more likely to do the work themselves rather than trying to push it off to outside counsel. They also know that these attorneys are going to be less versed in the sort of “do less work” and “cover your ass” mentality that is picked up quickly by attorneys once they go in-house. Smart companies are efficient, and like law firms, want people who are most likely to do the best work for the least amount of money. Attorneys coming from law firms are generally hungrier and more desirable.

These generalizations are not always true, but they are generally. What happens when companies start interviewing attorneys from law firms and companies for in-house positions? They generally choose people from law firms. Attorneys from companies show up in the interviews and act like they know how to run the in-house legal department (or how things should be done) and seem “jaded”. In contrast, law firm attorneys show up and seem enthusiastic and malleable (i.e., they will follow orders and try to impress).

All law firm attorneys know that once they have more than six or seven years of experience and no business, most law firms are unlikely to be interested in them.

“I’ll work for a second year associate’s salary!” these attorneys exclaim all the time.

Unfortunately, it is the ability to follow orders, work hard, try to fit in and impress superiors, a desire to advance and so forth that law firms and companies are seeking. They are not interested in older attorneys without this.

Recently I was representing an attorney with about eight years of experience and unbelievable qualifications who was interested in a “non partnership-track” role in a major law firm. When I say this attorney’s qualifications were outstanding, I mean an attorney that had qualifications similar to these: working at the top law firm in their city, first in their class from **Stanford Law School**, first in their class at MIT, a published author of many important papers in their field and so forth.

Every top tier law firm interviewed this person, but no one would hire them. They all said the same thing: “It does not work for us if the person is not motivated to be a partner. We need people here who are willing to work toward that, and it messes up our culture if there are people here who do not care about this.”

Many senior attorneys without business do not have the drive that both companies or law firms want. Something happens to them after they get to be more senior — or spend time in a company — that makes them no longer desirable. Everyone wants “fresh meat”, and

once you have been used (and lose the drive to advance and be malleable) everyone is done with you.

The only solution — AGAIN — to any of this is to get business.

5

Without clients of your own, you will have zero control over your career.

You could have had federal criminal charges brought against you for a financial crime and have spent a year in rehab for being a crack addict: If you have business NO ONE CARES and you can get a job in a major law firm (not every law firm, but most law firms). This is the name of the game. Law firms want attorneys with lots of business that know how to bring in clients and keep them. I've seen attorneys with some of the most unbelievable backgrounds (shocking and bad things in their background) advance and be considered world class attorneys, all because of business.

I was in a Palm Springs Casino several years ago (when I was a young practicing attorney) and saw one of the most prominent law firm attorneys in the United States (a name partner at one of the most profitable major American law firms in the country) gambling at a table and sitting there with two women in short dresses who were not his wife. It was 11:00 in the morning and he was incoherent and barely understandable because he was so drunk. He was insulting the dealer and screaming loudly

“In a company, an attorney can be blamed for the entire collapse of a company due to some legal issue.”

as he was losing each hand. He then stood up and went outside and was smoking with the two women and slapping one of them on the ass.

I could not believe it. How could someone like this possibly last in the practice of law? Incredibly, this guy has continued to rise. I've seen this guy on the cover of magazines and all over. He is one of the most respected and famous attorneys in the United States.

IT DOES NOT MATTER! If you have a lot of business, no one cares! Business is the name of the game.

You can do whatever you want if you have a lot of business. This is all law firms care about. This is the only way of “keeping score” in a law firm.

There is a partner at a California law firm with a lot of business that kept losing associates because they had to work so hard. He decided to give them an eight ball of cocaine every Monday morning so they could work hard throughout the week. Each Monday they would line up at his door like mechanical robot drones and shuffle in with their heads down and hand out to receive their weekly supply.

The partner stopped losing associates and they started working even harder. The partner got more work done and the law firm and partner both made more money.

When the management found out, what do you think happened?

Not much. The partner is still there and this was years ago.

IT DOES NOT MATTER! The partner had business and this is the entire name of the game.

Partners with business have control over their careers. So much so that they can do pretty much whatever they want. They are in complete control.

6

When the company experiences some significant legal problems — and most companies do — you and others in the legal department who “touched” the matter will all likely lose your jobs.

Unless you have been hiding under a rock your entire career, you are surely aware that just about every company experiences various serious legal problems at some time. Companies get sued in class actions, they do something and the government investigates them, public policy changes and the public comes after them in court or elsewhere for one thing or another.

If serious legal problems come up in a company, who better to take the fall for all of this than the attorneys in the legal department? In the eyes of management, it is certainly better to punish your legal department than take the blame yourself. Our attorneys screwed up.

And this is what happens to in-house attorneys all over the country — they lose their jobs in droves daily as one legal issue after another comes up that gets the company in trouble. Regardless of their fault, they are often let go

just for being there when things go wrong. Even if it is not something they could ever have possibly had any control over.

When these attorneys are harshly let go and lose their jobs, the fun does not stop there. They are also PERMANENTLY TAINTED as the attorneys who did not prevent the serious legal problems. They become UNTOUCHABLE, not just by law firms but by other companies as well. They are “marked” and spend the rest of their careers as outcasts for reasons they may not have possibly ever been able to prevent.

When you think about it this way, the “Hunger Games Style – Sorry You Are Going Off to Die” parties for “tributes” start to make a lot more sense. Being a fall guy for an entire billion dollar-plus company cannot possibly be a fun thing for anyone. In a law firm, the worst thing that can happen to an attorney with clients is to lose one of them. In a company, an attorney can be blamed for the entire collapse of a company due to some legal issue.

The legions of these in-house attorneys out of jobs and permanently untouchable is profound. I talk to them almost weekly. It is an unfortunate but a real part of what happens to attorneys who go in-house. For most in-house attorneys, it is only a matter of time before something happens. How could it not? The larger the company, the greater the odds that something will cross their desk (or someone in their department’s desk) that they will miss and that will end their careers.

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Most attorneys inside of companies are the “resident buzz kills” who spend their days covering their asses by telling management (i.e., people actually doing things) what is not possible. They become impediments to getting things done and are often not liked too much by people inside of the companies either (i.e., they become more isolated and lonely inside of companies than they were inside of law firms).

The people that are actually doing things inside of companies that generate money (i.e., the executives, sales team and so forth) generally always say “we’ll send it to legal” before doing various things.

When you are in “legal”, your job becomes telling the various “doers” and “actors” inside of a company why something cannot be done, or at least the risks associated with taking various actions. After some time, most attorneys inside of corporations become avoided because they are a damper on people that are trying to get things done. This is not to say that the attorneys are not providing a useful service — instead, this is to say that the attorneys become people that are generally seen as “holding back” the company and not contributing to its growth.

None of this is true, of course. A good attorney is actually protecting the company and preventing it from getting into trouble so it can make even more money. However, when a company is under pressure from stockholders to generate more money and the people inside of the company have various goals, the attorneys generally are not the most popular people.

There is a catch-22 to all of this, of course:

If the attorney misses things and the company gets into trouble, the attorney will lose his job. If the attorney finds too much fault and makes getting things done too difficult, she will not be liked by management and will be seen as an impediment to getting things done.

When I talk to attorneys who go in-house and have lost their jobs (or are unhappy), they often say they hated it because the company was “always trying to cut corners” or was “unethical”. Other attorneys who have gone in-house try to get along with management by finding ways to get things done but then find themselves out of a job when things go wrong — and they always do.

Being in-house is a very difficult political game. There is often no one right way to do things. In an attempt to find a balance and not be considered the “bad guy or gal”, attorneys start referring everything to outside counsel and then tell management “outside counsel recommends” and so forth. This then becomes a habit and their skills deteriorate even more. Soon they find themselves in the position of a messenger for “real attorneys”. They are someone that is no longer an attorney as much as they are as a docile messenger.

YOU’VE COME A LONG WAY BABY!

Continued on the next page

CONCLUSIONS

You may wonder if there is any environment out there where “the game” is emphasized and where attorneys will be trained to play the game, meet people and perform the way that law firms operated before becoming industrialized. There is! In fact, I am constantly amazed by this type of law firm because this is the only place where the game seems alive and well.

It is the personal injury law firm. Here, there are no longer any billable hours and attorneys are encouraged to make a name for themselves, get out there and be members of the community and advocate for their clients. When you look at the websites of many of these personal injury law firms, you can see that the personal injury law firms are trying to help these attorneys make a name for themselves.

There are most often pictures of ALL OF THE ATTORNEYS STANDING TOGETHER in contrast to the photos of just one attorney’s face in the large law firms. The attorneys often have written numerous articles and given many talks. Most of the attorneys are smiling, look social and (for whatever reason) a large proportion of the photos show the attorneys standing up and not just their faces.

Interestingly, the personal injury law firm is about the only type of law firm out there where the billable hour does not exist. It is the sort of law firm that all law firms used to be. There is no one to impress but the client, and the client could be any individual — so schools,

grades and other “surface” qualifications no longer matter. The only thing that matters is the personality and drive of the attorney.

The “game” of getting clients and impressing them exists in the industrial law firm as well, of course. Attorneys just do not see this and have been blinded by a system which gives them the illusion that somehow working inside of a corporation is a better use for their skills — when in most cases it is the end of their self-respect and happiness as an attorney. If they go in-house, they will no longer be an attorney and will become something else entirely.

I’ve made more in-house placements than I can count, and although I specialize in doing law firm placements, there are certainly attorneys that should be practicing in-house. I am going to deliver some harsh news here and tell you the sort of attorney that should be working in-house: **The sort of attorney that should not be an attorney.**

- If you do not care about ever getting new clients and impressing them with good work, you should go in-house.
- If you are more interested in having other people do the work than doing it yourself, you should go in-house.
- If you are suicidal with your career and family and do not care when your career will end — and are interested in having it end suddenly and without warning — you should go in-house.
- If you are interested in politics and playing dishonest games with your time and legal matters, you should go in-house.
- If you want the feeling at the end of the day that you have not accomplished much — but

- someone else has — you should go in-house.
- If you have no idea why you are an attorney, you should go in-house.
 - If you are interested in long stretches of unemployment, you should go in-house.

All of these are valid reasons to go in-house.

Here is the deal: Being a “real” attorney in private practice is like having your own business. You get a law degree, learn some skills and start bringing in clients and doing work on their behalf. The local dentist, chiropractor, doctor and others in your community do this. Why not you? They need pleasing personalities, fair rates and a good reputation to do this. Like attorneys, the people in these professions have also been doing this for thousands of years.

Women for some reason think they are going to have better lives and time to raise their families if they go in-house. This is ridiculous. I know tons of talented attorneys with huge books of business who are mothers and working in major law firms. If you are a woman and want more time with your family, by all means get some clients and then have other people do the work for you. You need control over your work and not an in-house environment. Your career and life will continue to prosper and grow if you have clients. Do not go out to pasture to die at the age of 28. If you

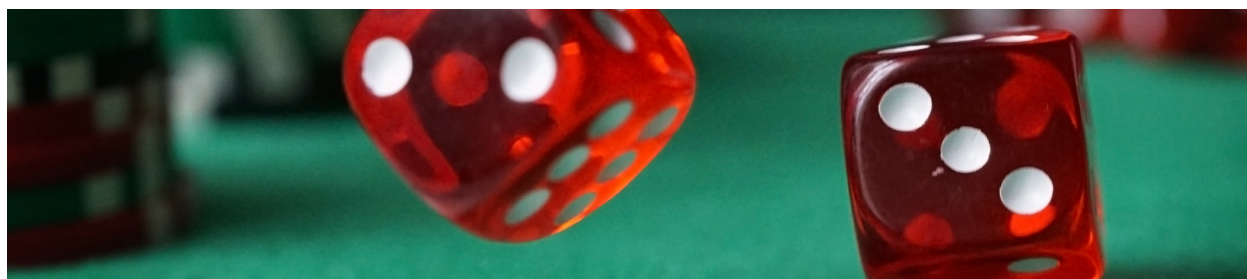
are talented enough to get a job in a big law firm, you are talented enough to get clients and continue growing.

You cannot and should not ever lose the perspective that being an attorney is like running a business. You need clients to run a business. This is the game and the only means of control you have over your life and future.

- Something I rarely see is attorneys going all out inside of large law firms to get business. They would rather go in-house and lose control over their future.
- Something I rarely see is attorneys moving to smaller firms, or different geographic locations where they know they could get business. They would rather go in-house.
- Something I rarely see is attorneys doing everything they can to become sought out experts in their practice area (writing, speaking, teaching). They would rather go in-house.

This is my call to you and attorneys everywhere — in the most direct way possible — to wake up and be an attorney and run your legal career in a way that is likely to be meaningful and give you control. Be a winner and do not give up. Learn the rules of the game and play the game.

Do not play a game you are almost certain to lose.



Additional Resources

What Is The Best Way to Develop Business?

Frequently Asked Questions on In-House Legal Careers

What In-House Attorney Positions Actually Pay

Top 10 Characteristics of Superstar Associates Who Make Partner

Five Class-Based Rules That Determine Attorney Success or Failure

How to Be a Successful Attorney

Law Firm Economics and Your Career

How to Develop Business as a Lawyer (How Can Lawyers Get Clients)

Four Union-Like Rules of All Law Firms You Need to Know About

You Must Produce and Do Quality Work

Don't Be Dead Weight — Contribute More Than You Take

In-House Counsel Wants to Go Back to a Law Firm

8 Reasons You Are Not Motivated and Why You Need to Stay Motivated No Matter What!

Control Your Environment

Help and Promote Expansion

Do Not Allow Others to Be in Control of Your Career and Life

The Dark Side of Going In-House

Going In-House? Why You May Be Saying Goodbye to Law Firms for Good

Is Moving In-house a Wise Move in This Economy?

How to Get a Fair In-House Salary