

Issues & Overview

Help Law Schools Turn Out A Better Product Reduce Corporate Legal Costs

Occasionally, we are exposed to the thinking of folks we respect that contains truths that pave the way for needed changes. I had many such experiences on October 30 at a conference sponsored by The Atlantic Legal Foundation (ALF) and the New York City Bar Association on "How To Reduce Corporate Costs And *Still* Win Your Case."

A parade of New York's finest lawyers discussed this topic, a subject of greatest interest to all of us. The discussion was kept highly focused by moderator Bob Haig of Kelley Drye, an ALF director. Another ALF director, Bill Lytton, concluded the program with a dinner speech titled "The Need To Change The Way We Train Lawyers." Bill currently serves as senior counsel at Dechert LLP where his practice focuses on corporate governance issues. Bill's corporate counsel credentials are impressive including, as executive vice president and chief legal officer, helping establish at Tyco International Ltd. the highest standards of ethics and compliance in the wake of the Kozlowski debacle.

Bill suggested that the legal world is not doing enough to invest in the "product" their companies are purchasing. There seems to be a general agreement that recent law school graduates are "not meeting our requirements and something needs to be done."

Bill mentioned that today's newly graduated law school students have two characteristics: the first was a huge debt amassed, an average of about \$120,000 for 2008, which means they can't afford to take "the type of government service jobs that allow young lawyers to get practical experience and significant responsibility early in their careers." Secondly, upon graduation most students are "professionally unqualified to engage in the practice of law."

Viewing Bill's remarks from my own past experience of managing the legal affairs of JC Penney, he has again done what he has on so many other occasions – focused our attention on a major problem and one that general counsel can help solve. Let me throw my own hat in the ring.

Law schools do a good job of competently providing students with an understanding of the legal doctrines applicable to issues they will face when they enter the world of actual practice. Where they fail is bridging the gap between knowing the doctrines and applying them in real life situations. Let's face it, it is almost impossible in a classroom or even a moot court to replicate the challenges of actual practice: facing the need to win in a real courtroom or to produce a contract that will adequately protect an actual client or to advise a corporate client facing an ethical challenge.

I discovered an answer when running the JC Penney law department. We hired numerous night law students to work four to seven hours during the day. We found that law students provided us with quality help on real legal issues, which reduced our inside and outside legal expenses far below what they would have otherwise been – and the miracle was that we got a work product, which by the students' final year in law school, was comparable to that produced by a second or third year lawyer at a good law firm. And, the most wonderful thing about what we were doing was that we were getting the advantage of having on our staff people who were deadly serious about achieving success because almost all of them came from economically disadvantaged backgrounds. (See the interviews in this month's Special Section on Diversity on pages 45, 48 and 49.)

And there was good news for the student too. We paid them well enough to permit them to cover their tuition and other expenses – but not nearly as much as our lawyers. Many lived at home. When they graduated, they got good jobs with us or with law firms or other corporate law departments – after all, they had the kind of legal experience that most law school graduates lack.

This is a true win-win solution. Your law department may well be within reasonable distance of a law school. Go there armed with copies of Bill's speech. (See this editorial on www.metrocorpocounsel.com for links.) Talk to its dean about its night law school if it has one. If it doesn't have one, suggest that, given the current economic crisis, it might be well advised to consider one – not only by giving students a way to gain legal experience but also because these students pay tuition. Offer to employ its students and perhaps pay all or part of their tuition. But be sure you mention Bill's speech and that academic credit would be appropriate. You would truly be doing well by doing good – what better way to promote diversity.

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