

## **Center on Lawyers and the Professional Services Industry**

To better understand the transformation of legal practice from a profession traditionally made up of small independent firms to a multi-billion dollar global business, Harvard Law School has established the Center on Lawyers and the Professional Services Industry, the first program of its kind in the nation.

The Center will have three primary objectives: conducting and sponsoring empirical research on the central questions facing the legal industry; training the next generation of lawyers and leaders in thoughtful consideration of these questions; and fostering closer ties between academic researchers and professionals in the field.

"Law firms and other professional service providers are now a critical part of the global economy, " said Harvard Law School Professor David Wilkins, director of the new program. "At the same time, we depend upon lawyers to play a central role in regulating the global economy in a manner consistent with our fundamental democratic commitments. The academy and the profession must work together both to understand how lawyers are responding to the tremendous changes in the market for legal services and to help the next generation of professionals develop innovative and effective responses to these changing conditions while preserving the profession's core values."

The Center has been established at a time when the legal industry is undergoing rapid change. Increasingly, law firms are merging into large global enterprises that often also provide ancillary services such as investment advice, consulting services, and venture capital. Simultaneously, other professional service firms--including accounting firms, investment banks and consulting firms--have begun to offer services that overlap with those offered by lawyers, and in some parts of the world, legal services themselves. These and other similar developments blur the boundaries that previously separated professions while at the same time posing new challenges for the professionals who must now manage these diverse global enterprises.

The Center will become part of a network of "Industry Centers" supported by the Alfred P. Sloan Foundation based at universities around the country. Among these are the Wharton Financial Institutions Center at the University of Pennsylvania, the International Motor Vehicle Program at MIT and the Carnegie Mellon Electricity Industry Center.

"Legal practice is being transformed every day by economic realities in today's global marketplace," said Dr. Gail Pesyna, program director at the Sloan Foundation, which made a generous grant to the law school in support of the new Center. "It is vital to support objective research and education about the modern world of commerce. We are pleased and delighted to have this new program join the 21 other Sloan-supported industry centers."

The Center's first project will explore the manner in which corporations purchase legal services, an initiative supported by a gift from the Cogan Family Foundation. This work is directly relevant to the new program's mission. There was a time when law firms--

typically small entities with modest turnover in attorneys--maintained corporate clients for long periods of time. With the legal world becoming increasingly competitive and far more fluid, the approaches firms use to solicit new business and the way clients select and purchase legal services is a subject in need of research and inquiry.

"Law is today both a business and a profession," said Robert Joffe, presiding partner of Cravath, Swaine & Moore LLP. "It deserves serious academic study so that students, consumers, policymakers and members of the profession themselves can better understand its role in our economy and society, and so that needed improvements can be made thoughtfully."

Part of the existing Program on the Legal Profession and based at Harvard Law School, the Center on Lawyers and the Professional Services Industry will work collaboratively with faculty from Harvard Business School, including Business School Professor Ashish Nanda and scholars affiliated with the American Bar Foundation, including Professor Robert Nelson. In addition to Wilkins, law professor John Coates will play a key role in the Center's work.