

Greenberg Traurig's Richard Rosenbaum on Looking Up in the Midst of Crisis

Make no mistake, in times of crisis, the character and core values of a firm and its leaders are tested and truly revealed. Now is when public relations jargon gets distinguished from what is real.

By Richard A. Rosenbaum
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The isolation brought on by the coronavirus crisis has provided the time and perspective for all of us to reflect. For many centuries, major changes of all varieties have come when least expected. Only those who pay attention to their core values and financial discipline even when things are very good—avoiding the herd mentality, quickly facing changing realities, having both the courage and structural ability in their business models to nimbly adjust and move forward—tend to survive.

For those now in law firm or other business leadership, the focus of this reflection is first and foremost the health and well-being of the many human beings and their families who are counting on them. At a time when they don't know who to believe or trust, we must be transparent, honest and compassionate. Those obligations very much include an assessment of how deep and long the current crisis will likely last and what is necessary to ensure that those families will not have the added stress of financial uncertainty caused by your failure to urgently assess, plan and respond as we all move forward together.

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(Photo: J. Albert Diaz/ALM)

Greenberg Traurig chair Richard Rosenbaum

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We are in a time when relatively short-term realities have been strikingly thrust upon us. Unfortunately for some, this comes just as they were celebrating multiple years of success fueled principally by head count growth and increased billing rates. These trends, bound to reach an end, allowed these firms to ignore not only the value clients now crave, but a variety of other important trends in business, law, politics and society that go well beyond what a novel virus now forces us to address.

However well prepared some firms may be to ride out the crisis, things will no doubt be different when

it ends, both in the short and long term. But what changes are likely to stick for our clients' businesses, society and legal practice itself? We must look up and be ready, even as we ensure our current well-being, to best help our clients get ready.

Following are summaries of what some of those changes may look like:

- **Being one unified business.** It is now clear that, at times of crisis, a business must be able to respond as one: quickly, nimbly, non-politically. If one or more offices or practices have issues, others can then quickly learn, support and collaborate, professionally, financially and emotionally.
- **A highly diversified model.** A unified law firm with diverse practices that are linked, collaborative and known for excellence across the system is a far more durable model during times of crisis or change. This requires avoidance of a model that chases the new high-profit practice every cycle change, like most do. The cultural glue must be strong to keep people together during those heights, and communication of the business model must be constant so it is understood. For example, firms that did not eliminate their labor and employment lawyers, or which have built or retained their federal, state and local government practices, are now likely to be hugely busy in a world recovering from a variety of shocks.
- **Remote working and real estate.** What will the impact on office space planning and usage be now that many are efficiently working from home? Human contact is essential, but a mix of office time and remote work is likely to follow. So, planning will take into account such things as non-exclusive offices due to alternating remote work days or hoteling, and choice of office location won't be so simple (downtown or suburban, one site or multiple locations). Open office designs may become a thing of the past. If significant remote working continues, there may be an oversupply of city center office space and downtown apartments, while reasonably located suburban offices and homes may become desirable. And space planning may pay more attention to state-of-the-art ventilation systems than on how many people can be squeezed in per square foot.
- **Alternative talent resources.** Non-fixed staffing sources, such as project and contract relationships and alternative service providers, are on trend. But many believe that the firms that have primarily relied upon their own committed long-time staff and professionals during this crisis, and that are showing loyalty to them now, are doing better and have been more reliable in serving their people and clients, including keeping their technology going. And some of your own staff working remotely may replace the alternative sources while reducing fixed costs.
- **Furniture.** In offices, conference rooms, hotels, airports and even homes, furniture will change, and soon. We know that steel, glass and other hard surfaces are much easier to clean and keep infection-free, as compared to wood, fabrics and other soft surfaces.
- **Traffic and mass transportation.** The concept of rush hour may never be the same when being at work may not mean being in the office. Will this change who uses what means of transport and when?
- **Auto industry.** The industry may ultimately benefit from a lasting desire to drive in one's own vehicle as opposed to being in public trains and buses that have difficulty keeping people apart. We may even see elite levels of mass transportation developed in key markets, incorporating spacing, ventilation, materials and other key health features for those who can afford them.

- **Videoconferencing vs. air travel.** Airlines and airports will have to up their security and technology and health screening games, and they will, opening a whole new industry. People will still want to be with each other in person as this period passes, whether for business, pleasure or to see family. But they need to feel safe before they do. Videoconferencing is already good; it will get better. And if travel is not necessary to transact business or handle a case, it is clear that a unified law firm with multiple locations could provide a big advantage in meeting clients' needs.
 - **Hotels and restaurants.** With people being more cautious about traveling for business and going to a downtown office every day, these industries will have to adapt for a new world, perhaps redesigning properties, rethinking some locations, as well as pricing and workforce considerations.
 - **Live entertainment, sports and movie theaters.** Even as concert, sports and movie venues adapt to health concerns, as they will, digital entertainment and other in-person media, tech and entertainment alternatives that can be enjoyed at home will likely continue to evolve in several ways, including attempts to provide a sense of being together and other ways to recreate the live experience without ever leaving home. Innovative businesses and lawyers who are experts in these areas are already hugely benefiting and will continue to do so for years to come. Talent, sport leagues and other content providers will adjust to new ways to profit from their unique value—and highly specialized lawyers will help them.
 - **Clothing.** Will we buy as many suits and other business attire in this new world? Innovation and new business models will evolve to market and design our clothing, creating new business opportunities.
 - **Fitness.** The sale of home gyms, including those which incorporate social networking features, as some are already successfully doing, should increase. The isolation of a home gym will be overcome by creative, tech-savvy entrepreneurs and smart lawyers.
 - **Supply chains.** There will be a long-term orientation toward diversifying a company's supply chain. Who and where will benefit? Change is inevitable now.
 - **Succession planning.** Longstanding, nonpolitical senior executive teams will have a major advantage, especially in very broad or large firms, in lieu of only one senior executive or (worse) large committees that are replaced every few years as a result of a political process. Nimble continuity, the ability to act in the event of sudden change, and team support during intensely stressful periods will be key.
- The possibilities are endless. And many very smart people will help our businesses, our countries, our societies and the right kinds of law firms and innovative lawyers find new opportunities in change once this health crisis is behind us. We must put people first, and then operate from strength, in order to look up and be ready for change.

Richard A. Rosenbaum is executive chairman of Greenberg Traurig.

