

Lisbon firms battling for top associates to plug skills gap

With firms suffering a shortage of experienced associates, young lawyers are now more inclined to switch firm as they find their path to partnership restricted

Law firms in Portugal report a spike in demand for experienced associates due to a skills shortage in certain practice areas, a trend that has led to a flurry of lateral hires. In addition, market observers also note an increased willingness among associates to move between firms as they realise opportunities to reach partnership become more limited.

"Following the crisis, legal work has increased and due to the increase in foreign investment, new areas have emerged such as TMT, real estate, corporate, data protection and M&A," says Domingos Cruz, managing partner of CCA Ontier in Lisbon. "Because of this sharp increase in demand for legal services, law firms need skilled and experienced lawyers."

Litigation is another area where firms are looking to strengthen



Domingos Cruz, CCA Ontier

– in May this year, CCA Ontier announced it had recruited senior associate Catarina Limpo Serra – who has 12 years' experience in dispute resolution from Cuatrecasas. Meanwhile, other moves in Portugal this year have included Miranda & Associados associate Pedro Sousa Uva – who specialises in litigation – moving

to PBBR, while Linklaters hired tax associate José Maria Sacadura from PwC.

There is a significant demand for lawyers at associate level largely, in the words of one managing partner at a Lisbon law firm, because they are less



Lisbon: Portuguese law firms are competing to recruit the best young lawyers

expensive and can be trained internally. Filipa Mendes Pinto, CEO of Lisbon legal recruitment agency Find, says there is a lack of associate-level lawyers with relevant experience in the Portuguese legal market. She attributes this to the recent emergence of new sectors such as TMT, as well as the lack of corporate and M&A work during the economic crisis – an area which is now booming. Mendes Pinto says, as a result, young lawyers now have insufficient experience. "The consistency and professional maturity of these young associates is at odds with their seniority," she remarks.

MLGTS recently hired Úria Menéndez-Proença de Carvalho counsel João Torroaes Valente to boost its real estate practice. MLGTS human resources and training director Martim Krupenski says: "Before 2010, Portuguese law firms experienced high levels of continued growth that was enough to keep business 'pyramids' in good shape and made it possible for the vast majority of associates to aspire towards partnership," he says.

"Nowadays, due to the financial crisis and possibly because bigger firms have reached optimal capacity for the Portuguese market, the growth is more contained." As a result, says Krupenski, lawyers that would have normally concentrated on career progression are no longer viewing partnership as a way to get to the top of the 'pyramid', and are turning to other firms.

Opportunities shrinking

Furthermore, in the millennial generation, few lawyers now expect to have a 'job for life' and consider it perfectly normal to have several jobs during their career. "A nomadic spirit, along with shrinking progression/partnership opportunities have made these types of associate much less change averse than former generations," says Krupenski. Meanwhile, Pinto argues that salary does not play the same role it used to. She says: "Associates are less concerned with the need to follow a certain path because it is normal – they are much more open to new challenges and the need to make an impact."

Cruz says that a sizeable pay cheque or the allure of long-term partnership will not keep young lawyers engaged in the long term. "Millennials reject the notion that 'life' and work are antithetical concepts that must be balanced against each other," he says. "Their vision is no longer focused on being a partner, but rather on building a career of value."