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Do Law Firms Really Need to Occupy Tens of Million Square Feet of Office Space?

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We've been shedding support staff and lawyers. Is it time to slough off real estate?

Why do we daily breathlessly rush off to the office, fending rush hour traffic each morning, to meet client demands? And why do we spend so much time rushing off to and attending face to face meetings? Why do we allow ourselves to suffer the indignities of modern air travel?

There are perhaps a thousand answers to these questions. But, I'm just not sure any of them are correct any longer.

Offices are so essential to the fabric of law firms, I don't believe we've adequately stopped to think about why we are paying so much money for real estate, nor why we need so

much real estate. I'm not just addressing space now under lease which is not being used because of either trimmed down staffs or diminished expansion.

These questions came to the fore as I recently worked with a client law firm which is seriously contemplating obtaining a new communication device, which is pretty breathtaking. Watching the [video presentation of the product](#) sucked the wind out of all of us. (No, we don't sell the product nor are we in any way compensated to promote it). Just a few days later, [The New York Times reported that computers are increasingly replacing desktop telephone appliances.](#)

Add to this a few small factors to our equation, such as cloud computing, paperless offices, the cost of real estate, the cost and inconvenience of travel, the time wasted in commuting, and you really must ponder whether we really need tens of millions of square feet of real estate in which we spend most of our working time.

There is no big mystery about how lawyers spend most of their days: Meeting with clients, colleagues and adversaries, preparing legal documents, conducting negotiations, reviewing files, and, I guess thinking (interestingly, most often not a billable exercise).

Clearly with the advent of this new technology, which can be used anyplace with an Internet connection, your meetings and negotiations can still be face to face (albeit through the ether), your library of legal documents and forms are sitting in a server in Nebraska, not in your file room. You already use Nexis and Westlaw. And, since all of your office files are paperless, time wasted in looking for files simply disappears. In fact, you can pull down a file from a server at the same time that your colleague is using the same file for some other purpose. And you can grab a file or a document in a nanosecond while you are in the midst of a telephone conference to either peruse privately or share with the other attendees.

Another neat aspect of all of these technologies is that recording of time devoted to client matters is simply accomplished by toggling on and off an electronic timekeeper, as we spend time in each activity. No more timesheets, no more reconstructed time sheets and no more slavish devotion to six minute increments.

Great thought has been given by so many to the model of the [Twenty-first Century Law Firm](#), but, I wonder, if adequate thought has been given to the bricks and mortar of the new era law firm.

Do we really need to rent 75,000 square feet in the center of town to house 100 lawyers? Or would a 15,000 or 20,000 square foot conference and administrative center more than adequately serve the needs of a law firm and its clients? This facility would not include back office functions which are already more commonly housed in less pricey quarters, often in distant cities with lower labor costs.

Yes, I suppose some lawyers, young and old, might need physical distance from kids, active households, roommates, pets and even the simple discipline of physically getting dressed and "going to the office."

But, that office can quite easily be in suburban locations rented on a full time basis or used by the hour or day on a contract basis.

Let's also add to this calculus the fact that [the number of lawyers working part time has increased by almost a third in the last several years.](#) Law firms certainly do not need full time space for its part time work force.

When my client originally called me to ask me to look at the new telephone technology, she said "you've got to come see this. Telephones as we know them are about to be dinosaurs."

We've all seen so much thrown on the ash heap of historic law practice: Telexes, Cables, telegrams, Selectric typewriters, Dictaphones, carbon paper, dot matrix printers, law libraries, written telephone messages, fax centers, word processing centers, and on and on.

Will the desk top telephone appliance soon be added to this pile?

More significantly, will your own office in the center of town soon be a distant memory?

The more intense and global question is how diminished demand for commercial office space will affect the economy at large. The Internet is vigorously competing with brick and mortar retail sellers and the effect of this robust competition is causing real challenges to real estate investors and financiers. Will the power of the Internet land a body blow to owners and developers of commercial office buildings?

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