



THE OFFICE OF THE LEGAL SERVICES COMMISSIONER

ASSURING COMPETENCE IN A CHANGING LEGAL SERVICES MARKET – THE NEW REGULATORY CONTEXT

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GLOBALISATION AND OPEN MARKETS

- Globalisation - phenomenal increase in technological developments in transportation, industry, and communication
- National boundaries have gradually diminished in importance
- Transnational legal services market - assisted by liberalised trade in legal services (GATS)
- Global law firm mergers – UK/USA, UK/Australia
- Mutual recognition legislation – National Travelling practising certificate scheme



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THE NEW LEGAL SERVICES MARKETPLACE

- Alternative business structures – 7 licences issued in the U.K
- Incorporated legal practices – Australia since 2001
- Law firm listing – Slater & Gordon in 2007, purchase of UK law firm Russell, Jones & Walker
- Appropriate management systems and the self-assessment process
- “Fit & proper” test and COLP/COLH in the UK
- Use of technology to facilitate practice – outsourcing/virtual law firms, online practice management software/cloud computing



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THE NEW REGULATORY CONTEXT

- Increased interest in regulation and regulatory theory
- Reduce regulatory burdens and improve the quality and cost-effectiveness of regulation
- Principles-based regulation, outcomes-focused regulation vs prescriptive regulation
- Regulatory objectives – *Legal Services Act 2007 (UK)*



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ASSURING COMPETENCE

- New skills required for 21st practice of law
- Lawyers today require communication skills, business skills, document management and computing skills
- Most common complaint about lawyers – communication
- Greater ethical awareness – commoditisation of law



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THE WAY FORWARD

- Principles-based approach to implementing changes
- Review education programs for relevancy
- Introduce core competencies - professional skills in addition to practical legal ethics and practice management and business skills