

## HOW TO ASSESS THE ECONOMIC HEALTH OF A POTENTIAL EMPLOYER

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An underlying question for all students interviewing for jobs is the financial stability of a future employer. Here are some tips to help you judge an employer:

- Read! Read the newspapers in the city and state where the employer is located, particularly the legal newspapers. Many of these newspapers are available online. Among the things to look for are stories about partners and associates leaving the firm, a major client moving to another firm, or a client merging and no longer requiring the services of a particular firm.
- Talk to students who have worked for that firm. Other students are often a valuable source of information.
- Questions about firm finances require subtlety. A partner at Seyfarth, Shaw, Fairweather & Geraldson, quoted in The Chicago Lawyer, suggests asking “Is the client base spread across the economy? Is it geographically diverse? Does any particular client account for a significant percentage of the firm’s billings?” Similarly, questions can be asked about the firm’s plans to maintain and improve its competitive standing as the legal market consolidates. Does the firm have a solid, sound strategic plan?
- Marty Africa, a principal in the legal search firm of Major, Hagen & Africa, offered an unusual suggestion in September 1999 when she came to speak at an OCS program on the job market in San Francisco. She suggested students ask lawyers when the lease on their office space is up. In her experience, firms reassessed whether to stay together when deciding whether to renew a lease.
- As for the financial health of a specific department within a firm, the University of Pennsylvania Law School Office of Career Services advises students to ask associates in that department about their workload. If associates are being lent out to other departments, it may be a sign that a specific department is not growing.
- Look at the firm’s profits per partner and earnings per partner for the past several years, making note of any great fluctuations.