

Biglaw Firm Announces Layoffs and Other Cost-Cutting Measures



The deadly coronavirus outbreak has dealt a devastating shock to the global economy with unprecedented speed.

The legal industry is not immune to the crippling effects of the pandemic. Lawyers who have experienced the 2008 “Great Recession,” when around [10,000 lawyers in Biglaw](#) lost their jobs, find uncanny similarities with the economic upheaval from the coronavirus.

In response to financial uncertainty, small and regional firms have started announcing [staff layoffs](#) and salary cuts.

However, the latest strike on the legal field is hitting Biglaw, and hitting it hard.

On Friday afternoon Womble Bond Dickinson announced a series of cost-cutting measures, [AboveTheLaw](#) reports. The measures include employee furloughs, associate layoffs, and cuts to lawyer compensation.

‘FYI Womble Bond Dickinson made an announcement this afternoon about layoffs and furloughs to associates and staff. They also announced a 10 percent pay reduction for anyone making over \$100k and a lower percentage reduction in the \$50k to \$100k range and the below \$50k range. The announcement was made via conference call. No memo sent out to anyone yet.’ [a tipster reported](#).

In a statement sent to [Above The Law](#), Womble confirmed the measures meant to “curb the negative economic impact of the COVID-19 pandemic” and allow the firm to continue serving clients:

‘In response to the tremendous uncertainty brought on by this virus, Womble Bond Dickinson (US) has reluctantly had to make some adjustments to its business during this difficult time. We made the hard decision to furlough some selected salaried employees for a while and also had to let go another small group. In addition, we are temporarily instituting a 10 percent or less pay reduction (with lower levels of compensation reduced by smaller percentages) for our remaining staff and attorneys in this group. Decisions like these are never easy, but we hope by taking these steps now, we will curb the negative economic impact of the COVID-19 pandemic and continue to build a strong firm that is positioned to serve our clients well.’

With no end to the global health crisis in sight, it’s expected that more Biglaw firms will make similar moves that will leave more attorneys out of work.

Biglaw has also announced measures regarding recruitment.

[Law.com](#) reports that Slaughters and May and Linklaters have paused associate recruitment, as other firms consider [their recruitment strategies](#).

A spokesperson at Slaughters said in a statement to Law.com International’s Legal Week: “Given current circumstances, we have paused recruitment processes while ensuring we have the right resources in place to help our clients through the current challenges.”

Firms like White & Case and Bird & Bird are both reevaluating their associate hiring.

If your career has been affected by the coronavirus pandemic, take a look at [this list of resources BCG Attorney Search has created and compiled for you](#).