

Times Ascent/Interviews

August 3 2010

LPOs offers aspirants a lot of opportunities to derive global exposure

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Sanjay Kamrani - Co-CEO, Pangea3 talks about the benefits derived from working in the LPO sector

1) Do you see India forging ahead in the LPO sector?

The current Indian LPO industry consists of 10 top-tier LPOs and dozens of smaller LPOs and MNC captive units in India delivering a range of legal services ranging from contract drafting, legal research and related motion drafting, electronic discovery, regulatory compliance and patent prosecution and related analytics, among others. Independent market research reports indicate a possible range of between 5,000 to 10,000 lawyers in India generating a revenue of between \$250 to \$500 million. Today, India is at an inflection point as a LPO provider because decision-making lawyers in the U.S. and even Europe, have realised the capabilities of select LPO players who have had success in marrying impeccable lawyer credentials with process expertise that have made efficiency a key component of their value proposition. The economic slowdown coupled with the opening of new frontiers such as the European market will trigger the growth of the Indian LPO industry furthermore.

2) What are the benefits derived from working in the LPO sector?

- During one's stint at an Indian law firm, a lawyer can work on Indian as well as global clients- however all these legal transactions are only limited to the Indian geography. A lawyer can service multinational in-house counsels and law firms in connection with their global practice, thereby getting a global exposure.
- An LPO offers a highly professional, transparent work culture with meritocracy-based growth prospects as compared to an Indian law firm that usually has a hierarchy-oriented culture due to their family-run business style.
- LPOs offer considerable opportunities to travel and work abroad. From a training and learning perspective, LPOs have a formal and institutionalised training programme for fresh graduates. This ensures that the vagaries associated with working for different partners in a law firm are eliminated and every law graduate has an equal opportunity to learn and absorb legal concepts.

3) How can Indian LPO firms become leading players globally?

It is critical for LPO companies to institutionalise best of the breed practices and methodologies to raise the bar of the Indian LPO industry. Indian LPOs should be positioned as 'centres of excellence' that are focused

on process orientation and highly skilled talent to deliver cost effective and high quality legal work to global customers.

4) Did the global meltdown result in a sea change for the LPO industry?

The economic crisis resulted in an extraordinary influx of legal work related to the sub-prime crisis and more generally to the US recession that has continued through the recession. With respect to the sub-prime debt crisis itself, we saw a surge in electronic discovery (litigation) work. More recently, the LPO industry has seen an increased focus from clients on corporate and regulatory compliance matters with a focus on Anti Money Laundering (AML) and Foreign Corrupt Practices Act (FCPA) compliance and enforcement.

The ongoing recessionary global environment has triggered severe cost cutting measures across U.S. and European companies inspiring general counsels to search for innovative ways to get more done under with considerably lower budgets.

While there are many who call this opportunity ‘the Y2K of LPOs’, I think that the industry will now go through a maturing process – revenue inflows will steadily grow and career opportunities for law school graduates will increase manifold.

5) What are the key challenges that the LPO sector faces?

The most significant risk and challenge to the LPO industry is any pattern of a failure of LPOs to meet client expectations, which could have a negative effect on the industry and taint market acceptance and penetration. With a number of LPOs over-selling their capabilities, some of which come with high-brand name recognition and backing, the likelihood is that delivery failure will occur and it may very well occur at a fairly high visibility level. The likelihood is that in 2010, the industry leader peer group and respected independent experts will establish certification standards that assist GCs and law firm partners in navigating the varying qualifications of industry players.