

T2Tokyo Legal Newsletter



t2tokyo

Kasumigaseki Building

31st Floor

3-2-5 Kasumigaseki

Phone: 03 4588 7444

Fax: 03 4588 7400

www.t2tokyo.com

Happy New Office (all things considering)

As most of you know we left our previous company in July 2007 and spent the rest of 2007 creating Talent2 International's Tokyo office. We even had to create a new name - T2 Tokyo (pretty cool huh?) – because of the associations to the word *tarento* in Japanese, not the kind of professional association we wanted.

When you are creating something new you have a wonderful chance to do anything you want. You have a carte-blanche. We used this to create what we hope will be the best company in Tokyo as defined by our employees and by keeping them happy and motivated over the long-term. Easy to say I know and there are many companies that say they put their employees first but in reality very few do. More than wanting to be different we could only envision being successful if we were different and by trading the importance of short-term owner/shareholder returns for long-term employee satisfaction (environment, support, compensation, ownership, good times, etc). If our employees are happy and motivated then the revenue and profit will follow and our shareholders will be happy too.

The benefits seem very obvious to us – the long-term retention of our very skilled and experience staff. Yes it cost us money to do this, yes it took a lot of time to create but the belief that you are creating an organization whose goal is employee job satisfaction and low staff turnover was simply too attractive, challenging and exciting to pass up. In the Professional Services industry your people are your business. If you keep your people for the long-term their operational efficiency and group profitability increases dramatically creating other beneficial spin-offs like positive market reputation, knowledge and stability.

So far, so good (not withstanding the economy). In less than one year of opening our doors we have attracted 25 experienced professionals – some among the very best in Tokyo recruiting and most senior in experience (our average age is 38 years old) compared to our competitors. This means we have found experienced recruiters, who like recruiting, are successful and have come to us for great pay, ownership and a working environment that asks what can T2 do to support you. Certainly, this makes us more dependable and experienced than our competition. Our people will be here when you need us. You will find us dependable, knowledgeable and able to provide you with a greater amount of job options or that hard-to-find talent your business needs.

Please feel free to drop by our office on the 31F of Kasumigaseki building (yes it's true we have nice view of Tokyo Tower, a movie sized screen and Wii doubles tennis) we'd love to see you.

We hope we can show you what recruiting should be.

T2Tokyo

affinity > passion >
innovation >

Introducing New Members



We are very happy to announce that John McLean has joined the T2 Tokyo legal team. John brings with him significant Japan-specific legal recruiting experience, most recently with a local Tokyo based executive search firm.

He has completed numerous searches at various levels in a range of organizations and has helped lawyers, legal managers and compliance professionals advance their careers in law firms, financial services companies and multinational corporations.

Asia CEO Matt Beath says “Adding John to our team solidifies us as Japan’s premier legal recruiting practice. Our legal recruiters are all long-time experienced veterans and John fits in nicely giving us 4 star performers. John’s expertise serving multi-national corporations in a variety of industries ensures that we are the best all-round legal recruiting service in Japan, able to provide on target advice and give more options to our clients and candidate than anyone else in the market.”

Co-founder James Graham is pleased with John’s professional commitment. “We have met a lot of people over the years and frankly most recruiters in Japan are just passing through or are not consultative enough in nature or just want to pass you what they are selling. John cares about people – whether they be clients or candidates - and wants to see a true win-win for both parties. He takes pride in that and that is a good sign for our long-term business.”

At T2 John will focus on recruiting legal professionals for multinational corporations.

affinity > passion >
innovation >

t2tokyo



A leading legal recruiter in Tokyo for close to a decade, James focuses on high profile legal search assignments for foreign law firms and financial institutions.

The Future for the Tokyo Legal Job Market

Originally I wrote an article called “What, me worry?” with the theme that while the world is going through a meltdown there is no need to panic here in Tokyo, yet. To date, no lawyer is unemployed due to the financial crisis because Tokyo’s legal community is so underserved. That is now no longer the case. Last week, at least three global law firms told lawyers that their services will not be needed in the New Year. Now, I’m actually panicking and I think panic is a wise course of action for self-preservation. I’m also very good at it. So let’s all panic together, expecting the worst and pray that things are not as bad as they seem. The following points hopefully provide you with some knowledge/information so that you might protect yourself and your family by protecting your value in the market place.

The Legal Market today in Tokyo:

- To date, no lawyers have been made unemployed as a result of financial crisis (all Bear, Lehman, Country-wide, etc) lawyers have jobs but this may not case tomorrow
- Relative calm in the Tokyo legal community, lawyers busy now unwinding deals, corporate governance work. Will there be work one year from now or in January?
- Salaries: flat and trending downward. Bonus: “Your job is your bonus.”
- Re-emergence of Japanese Banks: Mizuho, Nomura, Tokyo-Mitsubishi, SMBC are benefiting from Koizumi reform action now.

Foreign Qualified Lawyers (Japanese and foreign nationals)

- Lower salaries – for unilingual foreign lawyers
- The skills bar rises in bad times. Foreigners without near-native Japanese will be increasingly pushed out of the market or will have to settle for jobs below their current salary and responsibility level.
- Job growth areas: Regulatory, Compliance, bankruptcy, Risk and Audit – more jobs

Bengoshi

- Bengoshi are becoming more interested to work in-house and so competition for the same job is the most crowded it has ever been. Is this the end of the Bengoshi salary premium?
- More Bengoshi are willing to work as in-house counsel; maybe as a result of over-zealous hiring at the Big 4 domestic law firms. Not everyone can become a Partner. Or is it for the better quality of life that in-house roles can provide? (I didn’t think so either)
- With Japan losing its economic position in the world, law firm sponsored LLMs and the opportunity to work for one-year in the USA will continue to decrease. If you want the overseas experience you will have to plan for it or make the opportunity yourself

Law Firms

- Opportunity to retain and gain staff. “Private practice isn’t so bad”. Guaranteed salary. Reminds me of the dirty 30’s, if you had a job you were fine.
- But, we are hearing of associates not so busy and being asked to leave. Jobs cuts are coming to Tokyo law firms for the first time ever.
- Log jam for Partnership – especially in Tokyo where offices tend to be smaller and not so many being made up. With financial in-house counsel careers now more scarce more associates will strive for partnership. This might lead to a more level playing field in terms of talent as rival firms pick top talent with Partnership offers.
- Global Law Firm Shakeout coming??? Many believe that there are too many foreign law firms chasing after the same clients and some offices are losing big money. If the deals dry up expect to see some offices closing or, more likely, becoming very small.
- Domestic Law Firm Mergers: The current economic slowdown might actually help domestic law firms as many clients have been complaining about timely access and service and losing clients in the process. Domestic firms have to be better at marketing (domestically and internationally) themselves as Japan’s economy shrinks. Expect to see more mergers and firms focus on being more product/service specialized.
- If the US dollar goes to 80 yen and Japanese banks go shopping in USA, again. M&A lawyers may have a mini-boom.

In House

- Real Estate AM companies moving a fund structure. More REITS will fail and companies will change hands.
- Private Equity, Funds experience is likely to be an interesting area, although we are unsure about job security
- Finance lawyers moving to non-finance roles (Pharma, insurance, asset management, manufacturing, etc) or back to private practice (*see John's article in this newsletter*)
- Business side legally trained bankers will return to the legal industry either in-house or in private practice
- Expect to see new entrants from outside of Japan or from traditional corporate banks buying securities licenses. This could mean options in control, audit, compliance & legal.
- IBD: Expect to see more Bengoshi take roles here from foreign qualified lawyers

Your Future Focus & Career Planning:

- Going forward, it is most likely that a number of lawyers will have to re-invent themselves to be gainfully employed. This is not new, speak with any lawyer of 15+ years experience and you will likely find that they have focused on a variety of practice areas in their career. Now is time for one of those career shifts.
- Litigation, bankruptcy, NPLs, restructuring – expect a lot of work here
- Traditional corporate banking – HSBC, Standard Chartered, Barclays, Credit Suisse, Deutsche Bank, Japanese banks, etc. Conservative banking just became wayyyyyy sexy.
- UK associates in demand, a scarcity in Tokyo, especially with Japanese skills
- IP associates and Partners with bilingual skills in demand
- Securitization, structured products, any kind of structured credit will not be where you want to be for the next couple years
- Derivatives – always needed and pays well. Why are not more Japanese nationals working in this area? The training seems to come from A&O, Clifford Chance, Linklaters and a couple other UK firms
- IBD – not so much hiring here, only strategic and experienced hires or an upgrade. Bengoshi will have an advantage over foreign qualified lawyers (Japanese nationals included)
- Private Equity, Funds experience is likely to be an interesting area but maybe not so secure.
- Corporate Governance, Audit and Compliance – it is likely that more lawyers will be hired to monitor and approve corporate and banking activities. We can be assured that more laws and regulations will be passed in the wake of the current financial crisis.
Liberalization of laws between banks and securities industries (currently being discussed) – might help open things up and give banking clients more options to capital

Not the most positive of points I know but it's better to be prepared that caught unaware. And as my eternal optimistic CEO, Andrew Banks, says: "The world will continue to wake up daily and people around globe will put their energy into making the world a better place and this crisis will pass". I think I'll hold onto that sentiment for the present time while I panic quietly inside. If you have any questions or comments, please give me a call at 03 4588 7402. I think I will have time to talk !

弁護士



Hiroshi specializes in the recruiting of mid to senior level Bengoshi, legal counsels and compliance officers for financial institutions and law firms.

金融危機はどこ吹く風と言わんばかりに渉外事務所で実績のある弁護士にはキャリアチョイスは豊富にある。留学後が一番の売り時であるという一般論は正しいが、本人のやる気、キャリア意識が明確であれば、どの年次であっても希望に沿う移籍のチャンスがある。この記事では移籍を考える際に重要な要素を述べる。複雑だと思われがちな弁護士の移籍だが、重要なことは二つしかない。「目標」と「情報」である。

目標:

目標とはつまり、どんな弁護士になりたいのかのイメージである。どんな専門分野を持ちたいのか、どんなパートナー(もしくは法務要員)になりたいのか、どの程度のワーク・ライフバランスを保ちたいのかなど、自身の求める基準がハッキリしているほどよい。当たり前なのだが、渉外弁護士はいわゆる優等生タイプが大半を占め、これまで「進むべき道」が必然的に決まってきた方が多い。そんな流れの影響か、事務所側が準備するキャリアパスをまずは進みたいと思う方が多い。これ自体は悪いことではないが、この環境に慣れてしまった方は自分自身のキャリアについて自発的に考える力も弱っているように感じる。事務所が、所属するすべての弁護士にとってハッピーなキャリアパスを準備することは不可能であり、その事実を踏まえれば、自身がどんな弁護士になりたいのかを考えておいた方が良いのは明白である。(当然だが、皆様が何を考えているのか我々リクルーターにわかるはずもなく、転職案件を持って押しかけることもない。)自身にとってハッピーな仕事の仕方とは何なのか、移籍するしないに関わらず、是非一度お考えいただきたい。移籍市場は雑音が多く、自身にとって最適な環境を仕事環境を見つけ出し一歩を踏み出すには価値基準の確立が重要である。

情報:

自分のなりたい弁護士のイメージが分かったとしても、移籍が簡単になるわけではない。移籍を成功させるには事務所・企業に関する十分な「情報」がキーになる。情報なくして転職することは、いわば未開の密林へ裸で入っていくようなものである。移籍を検討している弁護士事務所もしくは企業が、どんな戦略を立てて採用を行っているのか、今後のビジネス展開をどう見ているのかなど、必要な情報は少なくない。自身が納得できる戦略を持っているのか、なりたい弁護士像に近づくために「メイクセンス」する環境なのかを精査するため、情報収集は重要である。移籍先に関する情報は弁護士を専門とするリクルーターから情報提供を受けるのがより望ましい。これは弁護士リクルーターの多くがマネージングパートナーや法務部長と直接関係を持っており、最新の情報を持っているためである。また、自身のネットワークの中から検討している会社や事務所で仕事をしている人の話を聞いてみるもの良いであろう。主観の入らない情報などないのであるから、情報源は一つに絞ることなく複数持つことがよい。

パートナーになるまで年間4000時間以上を仕事に費やし、家庭や趣味といった仕事以外の面を犠牲にすることを強いられるのが成功する渉外弁護士の一般的なイメージであるが、弁護士の数が急増するなか、この成功モデルは陳腐化することは間違いない。一般的な成功像に合致することが重要なのか、それとも独自の価値基準で仕事と付き合っていくのか、渉外弁護士にも価値基準の自立が求められ始めている。

ここで、移籍が必ずしも答えでないことも強調しておきたい。自分のなりたい弁護士像を追求してゆくと、移籍が必ずしもベストチョイスでないことも多々ある。どの仕事でも同じだが、100点満点の仕事場は存在しない。ただ、同じ仕事場でも本人の価値基準によっては50点だったり95点だったりする。必ずしも外にしか答えがないわけではない。今の環境が80点であったとしても、それを90点まで上げることもキャリアの楽しみ方の一つである。

つぶれないと思っていた会社が潰れてしまう世の中である。自己責任という言葉が使われ始めて久しいが、今後はこの言葉がもっと乱発される可能性もある。どうか自分自身への問いかけを続け、受身なキャリア構築意外にも積極的に情報収集を行い、より充実したキャリアを過ごせるよう今の時間を有効活用していただくと幸甚である。

コンプライアンス

セルサイドでは新規ニーズはない。年明けまで大きな変化はないことが予想される。ミドル・ジュニアのポジションではリプレースメントがあるが、競争は激しく相応なバックグラウンドとキャリアに対するコミットメントが問われる。高い英語力、金融業界もしくは法律業界における法務・コンプライアンス経験は必須。商品知識はあるとプラスだが、ジュニアポジションではコンプラの素地や語学力の方が重要視される傾向にある。バイサイドには比較的余力があり、ジュニアからシニアポジションまで一通りニーズがある。近年の給与の高騰でミドルの方々には給与もポジションもあまり上がらない中途半端な転職になる可能性がある。横滑り的な転職は注意を払って行うべきである。シニアレベルでは商品組成から当局対応、ピープル・マネジメント力など厳しく問われる。給与は高いレベルであるが、ここ数年でマーケットの人材が一巡しており、会社の見目は厳しくなっている。

passion >
affinity >
innovation >



John specializes in recruiting in-house lawyers and legal managers for international and domestic companies.

The Flight from Finance

Reading the financial news and thinking about one's career is enough to make anyone feel uneasy, restless, nervous - even horrified! But the news is not all bad - at least not yet and not for lawyers working in Tokyo. These troubled times have created opportunities for companies to access previously elusive talent. We are seeing hiring in all industries outside of finance as companies are adding legal professionals to their teams.

Most of us are feeling the pain and fear associated with the worst economic times in recent history. But there are businesses that are stable - some even growing - and they see it as a good time to add key people, including lawyers.

There is a demand for bilingual lawyers with foreign and Japanese qualifications. The legal departments of multinational corporations and domestic companies, which are in short supply of lawyers, now have an opportunity to build the legal team they have always wanted. They are hoping that lawyers who were once seduced by the bright lights, big salaries and big bonuses in the world of finance will start to see that long-term stability (and a good night's sleep) might just be as important as those big salaries once were.

Will that remain the case once things stabilize? Only time will tell; but it will be interesting to see if the top legal talent in financial firms will make the move into unrelated businesses.

Employers have the advantage, or do they?

Tokyo has historically had a talent-short legal market so candidates have had the upper hand. Today we have General Counsels enquiring about the prospects of picking up a finance lawyer, but on their terms. Will they be able to do so? Certainly finance lawyers are interviewing at multinational corporations but when it comes to the 'offer stage' salary expectations are not as low as companies would like to hear. That is simply the market working and the truth of the matter is that no finance lawyer in Tokyo has lost their job due to this crisis.

However, it is still early! If things get worse, salaries and expectations will indeed drop and the tables could subsequently turn. But the turn may not be permanent. For companies seeking top talent now could be a window of opportunity.

Looking, and thinking, before you Leap from Finance

If you are planning on it, move now while you can still get a good salary and you still have a 'first-mover' advantage because it is possible that we will see a big drop in the number of finance legal jobs in the market. Start strategizing! As lawyers facing challenging times and risk-filled futures take some time and think about the possibilities. Investigate the variety of unexplored options in various industries. Some things that you should consider:

1. Does it make sense to move now? (Long term salary implications, work-life balance, upward mobility, interesting legal work?)
2. Will the new role's skill-set be in demand in the future?
3. Where will this take your career? Management potential? Is there the ability to become an expert in a new area?
4. What types of companies and industries are hiring?
5. What is it like to work in a corporate legal department?
6. Will the compensation be enough for you?
7. Will there be a work/life balance?

So what now? Perhaps this is an excellent opportunity for you to take a look at your career and assess what it is you really want to do. Not just in work but reassess your personal goals. In which industry and for what kind of company can you best utilize your legal skills? What about looking at that software company you always thought would be a cool place to work? Interested in health care? Would you like to make it home to tuck the kids in a few nights a week? There are options and opportunities out there!

If you work in finance, do you want to remain there? The next few years might very well be long on stress and short on reward. (The disappearance of the risk/reward profile)
Is it worth it?

And for corporate legal departments who have been looking to solidify their departments' capabilities, this time can be used to observe and research the exceptional talent you previously thought unattainable.

affinity > passion >
innovation >

T2Tokyo Legal Team



James Graham

james.graham@t2tokyo.co.jp

+813 4588 7402

A leading legal recruiter in Tokyo for close to a decade, James focuses on high profile legal search assignments for foreign law firms and financial institutions. For the last four years James has been named the best Middle Office/Legal recruiter in Tokyo in the AsiaMoney Head-Hunters poll.



Hiroshi Kurosaka

hiroshi.kurosaka@t2tokyo.co.jp

+813 4588 7403

Hiroshi specializes in the recruiting of mid to senior level Bengoshi, legal counsels and compliance officers for financial institutions and law firms. Together with James, he has filled a number of difficult searches in the past four years. He is constantly in touch with the market and provides comprehensive market views to clients and candidates.



Tomoe Kawagoe

tomoe.kawagoe@t2tokyo.co.jp

+813 4588 7404

Tomoe specializes in Bengoshi and foreign lawyers for in-house legal roles at multi-national corporations in various industries. She also covers documentations recruitment at financial institutions, junior Bengoshi and paralegal roles at law firms. She has successfully assisted on several high-level, difficult-to-fill searches with James and Hiroshi. Striving to deliver as many opportunities as possible, Tomoe goes extra miles to find appropriate options for both clients and candidates. Japanese/Chinese Tomoe has lived in Hong Kong, Tokyo, and Boston, and speaks fluent Japanese and English and conversational Mandarin and Cantonese.



John McLean

John.mclean@t2tokyo.co.jp

+813 4588 7422

John began his legal recruitment career in 2005 and quickly established himself as a trusted name in the Tokyo market. During this time, John has developed an extensive network of legal and business professionals in Japan and the Asia Pacific region and continues to develop deep partnerships and business contacts throughout the region.

In following with John's drive and commitment to providing premier recruitment services he joined T2 Tokyo in 2008 to be part of Japan's leading legal recruitment team. John focuses his recruitment practice on Japan and foreign qualified lawyers for law firms and multinational corporations.