



Alison Monahan: Welcome back to the Law School Toolbox podcast. Today, we're happy to have former BigLaw recruiter Sadie Jones here with us to talk about the impact the coronavirus might have on the legal job market, based on some recent history. Your Law School Toolbox host today is Alison Monahan, and typically, I'm with Lee Burgess. We're here to demystify the law school and early legal career experience so that you'll be the best law student and lawyer you can be. Together, we're the co-creators of the [Law School Toolbox](#), the [Bar Exam Toolbox](#), and the career related website [CareerDicta](#). I also run [The Girl's Guide to Law School](#). If you enjoy the show, please leave a review or rating on your favorite listening app. And if you have any questions, don't hesitate to reach out to us. You can always reach us via the [contact form](#) on LawSchoolToolBox.com, and we would love to hear from you. With that, let's get started.

Welcome back to the Law School Toolbox podcast. Today, we're excited to have former BigLaw recruiter Sadie Jones here with us to talk about the impact that coronavirus might have on legal jobs. Welcome, Sadie.

Sadie Jones: Thanks for having me back.

Alison Monahan: My pleasure. Thanks for joining us in this kind of chaotic time. Well, for the record, we are recording this on March 25th, so we have no idea what's going to happen after this when you might be listening to it. And to be honest, it seems kind of too early to start making a lot of pronouncements about what's going to happen, say, for this summer, maybe for OCI, or other fall hiring. So we're probably going to do some later podcasts as we get better information. Today, we're going to talk mostly actually about the past. You might be wondering why, but a lot of our listeners may not actually be fully aware of this, but this is not the first time the legal job market has imploded in recent memory, right?

Sadie Jones: Definitely not. In that other situation, it also felt sort of sudden and shocking, and everyone was sort of in chaos as well.

Alison Monahan: Right. Yeah, so what we're talking about is basically the financial crisis in late 2008, which, as you pointed out when we were chatting earlier, was actually kind of still in the middle of some OCIs, so a little bit different scenario. I had graduated fairly recently. I was working at a firm after clerking. And you were at that time a law firm recruiter, is that right?

Sadie Jones: Yes, I had recently started at a really large law firm, actually in August. So I was really new to a job, and I was going to be working on the summer program.

Alison Monahan: Right. So you started in August, things were looking pretty good, you were all excited about the summer. Then in October, basically the financial markets blow up. What did people do?



- Sadie Jones: Well, we kind of had to come up with some creative ways to handle the situation. The first thing that happened was quite a few law firms actually disappeared and went out of business.
- Alison Monahan: Right. That's right.
- Sadie Jones: Yeah, that changed things, because there were a lot of lawyers without jobs. The nice thing was, from at least what I could tell in the market I was in, a lot of other firms took those lawyers in as groups, and even took some of their summer associates in. So, I felt like at least at some of the bigger places that kind of went under, they did find other firms to go to. That was sort of the first thing that happened.
- Alison Monahan: Yeah, I remember some of this. If anybody's interested, I'm sure there's a bunch of stuff in the [Above the Law archives](#), because they were definitely reporting heavily on this at the time. But it was all these sorts of things that people thought would never happen, and all of a sudden they were happening all the time. So there was this perception that, "Of course a large law firm is not going to lay people off." No, they laid people off.
- Sadie Jones: Definitely.
- Alison Monahan: Like, "Of course they're not going to go out of business." No, they went out of business, and very quickly.
- Sadie Jones: And very prestigious firms. The same for financial institutions as well. If you were around then, I don't think anyone could have imagined that Bear Stearns would be out of business in a matter of months. It was similar in the legal world too.
- Alison Monahan: Yeah. If anyone's curious, we're not going to name names on this podcast, but you can go back and look this up. I think some people would actually probably be pretty surprised to find out who some of the first firms to really start laying people off were, because we were all surprised.
- Sadie Jones: Yes.
- Alison Monahan: It was just like, "Wow, this is happening."
- Sadie Jones: And the other thing is that it sort of happened in waves. A lot of firms did one layoff to some degree, and those people generally got better packages if they were in the first group. Then as the financial crisis got worse over the next year, usually there were subsequent layoffs. So we were also living in this world of uncertainty, over a long period of time.



Alison Monahan: Right. I was going to say it actually went on for a very long period of time. This wasn't something that went on for six months and then the economy turned around. This was literally years of firms cutting classes and laying people off, and not hiring people and all this stuff. Then suddenly, it kind of turned around and everyone has sort of forgotten about this. But let's dive into it a little more. How do people handle summer associate programs? What if you'd already committed to take a summer associate position at a firm in, say, September or early October, and then suddenly this all blew up? I mean, did those programs even happen?

Sadie Jones: They did happen. We were lucky, because we were still in the midst of making offers, and I think a lot of firms were. So you were able to sort of cut off some of the hiring, because it hadn't completed yet. For the students who now know that most of the hiring happens in July and August and it's done, that's the reason, because what happened is that Harvard and Yale were still interviewing.

Alison Monahan: Oops.

Sadie Jones: Even being Harvard and Yale, most firms had to say, "We cannot take very many of you." That is why they changed how they did their hiring, because they wanted to be in the same boat as all the other law students. But at least from my experience, the idea was to cut it off as much as you could for people you hadn't made offers to. There were definitely firms that rescinded offers and changed how many people they were taking. Generally, I would say that firms really tried not to do that, like, if you've made a commitment to someone, we're going to have a summer class. Then you're planning enough ahead of time that you can say, "Okay, then the following summer..." What some firms did was not have a summer class the following summer.

Alison Monahan: That's right. I forgot about that.

Sadie Jones: Or have an extremely small one. Some firms just hired 1Ls, so that they knew that they were doing it way ahead of time and could just hire a few 1Ls, and kind of focus more on the future and keeping their name in the minds of students at certain law schools. The idea was like, "We're sort of stuck with what we already have for next summer, as much as we've already made offers and had acceptances. But we can kind of figure out long-term that we need to cut back summer classes." That's something that continued and still continues, that most of the firms that I know of do not have as big summer classes as they ever had before 2008.

Alison Monahan: Yeah. I was summering a few years before that and we had, I don't even know, 120-130 people in the class. I don't think that anyone's ever gotten close to that at that firm again, ever. It's probably half that at least, if I had to guess, or less. Yeah, in this scenario, I don't want to get too fear-mongering and speculative.



One difference here is obviously that was kind of one event and it wasn't health-related. So I think there could be other concerns here, but I hear you on firms kind of wanting to say like, "Look, we made a commitment to people, and we don't necessarily want to break that." That wasn't exactly the case with people that they made offers to, right? If you had accepted an offer and you had not yet started as an associate, those people really seemed to have a lot of different options kind of presented and have to choose or not be able to choose between them.

Sadie Jones: What I would say is I did see a lot of creativity, which I was impressed with, because that's not something you usually associate with law firms. There were definitely people who also had their offers rescinded who were in that situation – not their summer offers, but their permanent offers. That happened. I think that today law students might think that could never happen. It can happen.

Alison Monahan: It can definitely happen.

Sadie Jones: They have no other choice. Now, I will say, I think that's a last resort. I think if a firm is in a good financial position going into this, they really try not to do that. But what they did was try to come up with, like I said, creative solutions so that the class didn't all start at the same time. You're in a worse situation if you hire a huge class of incoming associates and have no work for them, because that's just going to lead to layoffs later on because there's only so long you can do that for. Some of the things that I saw were offering just straight up, "You don't need to start next year if you don't want to." So, just seeing if there's anyone who maybe could get a clerkship, could figure out some other options: "We're totally happy for you to defer your offer for as long as you want." That was kind of first step.

Then the other thing was, a lot of firms kind of figured out alternative places to put some of their incoming associates. Now, those people were put in other places. They were all public interest jobs, government jobs, non-profits, all sorts of things. They were paid a smaller salary than the people who were starting as associates. So, that created a lot of issues. It wasn't clear to I think those students how those choices were made, and they were made for lots of different reasons – practice group, trying to be fair the best way that they could. But ultimately, it was, "We're still trying to find a place for you, not rescind your offer, find something for you to do." To be honest, a lot of those students were happy with the placements that they got, because they were actually making more money than they would have if they just worked for that organization, just straight up got a job with them. And they got to do that for a year, get experience, and then still had a future job at the law firm, making a full first-year associate's salary. That is what a lot of big firms did, was try to sort of split up the class.



- Alison Monahan: Yeah, and I'm sure that caused some resentment among people who actually wanted those public interest jobs, but it's not a perfect world.
- Sadie Jones: Yes, exactly. It was actually quite a challenge to place them at these organizations, because a lot of the organizations were like, "Well, we'll have to train them, and that's not even necessarily helpful for us." I think how it worked was some of the students already had relationships with them, or firms had relationships with them, so that was sort of the ideal. Like, "We already work with you, we're going to give you a free associate for the year." So, overall, I think it worked out. But for sure, for the people who weren't in that situation, they had a lot of their jobs taken away for the big firm associates.
- Alison Monahan: Yeah, it was a pretty crazy situation all around. There were a lot of people scrambling in a lot of different directions – it seems like the situation we're sort of in right now. What about associates who had already started working? What happened to those people?
- Sadie Jones: People were definitely laid off. I will say that people were laid off who were first years. There was a variety. Obviously, there were certain practice groups where the layoffs were deeper, because they realized that there just wouldn't be work for years. Some of it was the luck of the draw. You picked corporate law, or you picked real estate, and, "We just don't see any way that we're going to be able to keep you on." So, some of them were laid off and it did, I think, kind of seem random to people and again, caused resentment. But it's kind of a lesson in... I think until then, a lot of people had felt really secure about what it meant to get to the point where you have a BigLaw job. I think it is a lesson that nothing's for certain, and so you have to sort of go with it and figure out what you're going to do.
- Alison Monahan: Yeah. It is interesting to me that I feel like there has been this collective amnesia about this whole thing, because at the time, I remember everyone thinking like, "Wow, people will remember forever who these firms were that started laying people off." And I would imagine the average 3L at any law school in America could not even begin to answer that question.
- Sadie Jones: The other thing about the time is, it feels slightly similar to now, in that the couple of years before that everyone was riding really high, and the economy was great, and there were lots of jobs. I would say that most firms maybe hired their biggest summer class ever from the summer of 2008. So, it does feel similar, because the economy has been really good and unemployment has been so low recently. So I think it was the same sort of shock to go from one extreme to another.
- Alison Monahan: Right. Yeah, it definitely will be interesting to see what happens. I mean, hopefully, we don't really see a repeat of this, but we don't really know. Like we



were talking about earlier, obviously this massively impacted other organizations that are not large law firms too. I mean, non-profits were not really being able to hire, nobody was donating to anybody's charity. We actually had two career conferences in 2013, I believe it was – so this is even five years later – just about what people can do in this scenario where they're graduating and they're not getting the jobs they thought they were going to get, and those jobs literally don't exist anymore. For the upside, for some people at least, there were opportunities in all this chaos, right?

Sadie Jones: Definitely. That's why I think having lived through it, my advice to everybody in any economy is that you need to be flexible. I think people forget that when they feel like they're in the power position and they're really wanted. I do always say, "You never know when things are going to change." If you make yourself so tied to a certain practice group, that may backfire if something changes suddenly. So, I think it's a good lesson for being flexible, being open, trying to remember that jobs are not always available, and sometimes you have to be creative. No matter where you came from, what law school, what opportunities you had yesterday, things change.

Alison Monahan: Yeah, and I think for most people, there's going to be some sort of grieving over that. They had all these amazing opportunities, and maybe now they seem like they have completely dried up. And maybe in six months, they haven't dried up. But maybe right now, that's what it seems like in the way that it is. I wonder too about people who... We did a recent [episode on applying for a summer job in the spring](#). Well, all that's kind of out the window, I would imagine, or at least a lot of it.

Sadie Jones: Yeah, I think you're going to have to look for other opportunities. It's hard to say what the world is going to be this summer and what people are even going to be able to do. But I think that, like we've sort of mentioned before, at some point maybe you just say, "Okay, I haven't found anything and I'm not going to be able to find a typical legal job. But maybe I can work for a professor and do research, or other options that I do something this summer."

Alison Monahan: Yeah, and I think on that point, what I would say is also just keep applying to things, because it's going to be very unclear who is actually hiring right now. Maybe this week basically no one's hiring, so everyone's trying to figure out what they're doing. But in a few weeks, I would imagine certain people, certain organizations are going to say, "Okay, our finances actually look pretty stable. I feel like we can start to think about bringing someone on for the summer." But it's going to be really unpredictable who those organizations are, particularly right now with courts closed and things like, "Can you even do essentially public interest work, or litigation, or pro bono?" We don't know.



- Sadie Jones: Usually in these situations, some businesses are going to completely go under and some industries are going to be hit harder. But there are other industries that may have more opportunities. I think that happens in these situations, so maybe you need to pivot.
- Alison Monahan: Yeah, a lot of people started firms, whether started law firms or businesses in the last recession. I mean, we started this business in the middle of the last recession. So I do think sometimes there are those opportunities to look for things that maybe you wouldn't necessarily have looked at. I would imagine that at least some of those people who thought they were going to BigLaw and tried out a public interest position for a year, actually decided to continue and are probably pretty happy with that choice.
- Sadie Jones: Definitely. I think sometimes it's not what you expected, but you're happy with the end result. I know people that ended up in practice groups that were the opposite of what they went for when they were coming out of law school, and they're happy with how it turned out. And really, they're happy that they have a job, and they survived, and they kept going. I think that life isn't always what you expect it's going to be, but it doesn't mean it won't work out.
- Alison Monahan: Yeah, I guess we won't get into the big looming question right now of, "Are we going to take the bar exam?" That's an episode for a different podcast. You can go listen to our [Bar Exam Toolbox podcast](#); we are talking about that question a lot. Right now, I would say assume that that exam is going to happen and you will have a way to be licensed, but we cannot guarantee that. Alright, what else can we tell people at this point who are just smack in the middle of this and wondering what the future's going to hold? What are we telling them?
- Sadie Jones: Well, I can't tell you what the future's going to hold. I wish I could. I wish I could even tell you how your school year is going to end and what you're going to be able to do this summer if you already have a job. I just don't know going forward. But I will say that I think the key to this is to be flexible. Keep on top of it, just keep going. You still have school, you're still doing your day-to-day. I think that that's important right now, because we don't really know long-term where this is going. I would say you just kind of keep on top of it. I agree with you – you keep applying for things, you keep talking to people.
- Another thing that I would consider coming out of this is, what happened in 2008 I think made a lot of people realize that they should be aware of the places that they're starting at, and what kind of financial situation they're in. I think those are questions to kind of research and have a good idea about. I think a lot of law students, especially looking at BigLaw, are just picking them based on the top 100 list and what's ranked higher. But I think that's something to also keep in mind is, "Does it seem like it's well-run? Does it seem like they don't have a lot of debt?" Because firms will tell you things like that. They have to report



things. I think it's something that law students really don't think about, especially in a good economy. But that was something that came out of that situation, because the truth is the firms that went under were not in great condition, no matter what they seemed like. It was something that people, I do think, sort of knew. So I think that's something to keep in mind when you have choices, when there are different options, just how you're looking at where you're going.

Alison Monahan: I think that's absolutely right. I think you should go back in those Above the Law archives and maybe look at who some of the firms that did this sort of stuff first were. Maybe you don't trust them for the future. Sorry. That is on the record, you can go find it. Yeah, I think you're absolutely right.

Sadie Jones: And you can see why the firms went under that did go under, because we know why.

Alison Monahan: Yeah. Like you said, a lot of this is information that is reported, that you can go and look up. You probably want to get familiar with some of these numbers if you haven't accepted a job yet. If you're thinking about where you want to bid for the upcoming OCI, assuming that happens, you want to actually look at the financial condition of these things. It's kind of like going to a law school. You need to look at the numbers like, "What are their job placement numbers like? What are their bar passage rates like?" And not necessarily believe what they tell you, but what do the actual numbers tell you? Because I think you're right. I mean, I don't think that many people who were paying attention were that shocked by who some of these things happened to. They might have been shocked by the outcome, that they actually went under in a matter of days. But it wasn't that shocking if you kind of looked at their financial system and you were like, "Yeah, you know what? They probably are overleveraged", or whatever it is.

Sadie Jones: If you talked to the law firm partners at the time, none of them were surprised. They all knew.

Alison Monahan: Yeah. Maybe there's some dirty little secrets hiding in plain sight that we are also about to find out. So yeah, hopefully no one ends up at one of those places. But if you do, I guess there are lessons to be learned.

Sadie Jones: Yeah, I think that's the main takeaway I got from that, is that sometimes things can change, it feels like instantly. But I hope that we take something from it. Even though this situation is different in a lot of ways, I think a lot of the uncertainty is similar, and I think some of the lessons are the same, that you can take out of it.



- Alison Monahan: Yeah. I'm just thinking the people that blow up first are probably the people that have had financial issues all along or at least for some number of years. Then I think you see when it starts the really slow and grinding process and everyone starts having the same problems, because the money just isn't coming in. And then I think it's almost better to have people react more quickly.
- Sadie Jones: Definitely.
- Alison Monahan: If everyone's laying people off except your firm, you might want to question why that is. In some cases... Actually where I worked, there were just weird reasons that they had a lot of money coming in, because they were suing banks and things like that because they didn't have corporate clients. So we actually had a ton of money coming in, but that was pretty abnormal. So you can, as an associate at these places, also think like, "Hey, does this seem sustainable?" If the answer is "No", you might need to be looking at other options, because eventually, people are going to run out of money.
- Sadie Jones: Because there were places that said, "We will never do layoffs", and then they did layoffs.
- Alison Monahan: Right, yeah. I feel like at this point, hopefully most people would not ever say that again, but maybe they would. I don't know.
- Sadie Jones: Or same with rescinding offers. But I will say I think that is a last resort for places. They know that long-term, that's not going to look good, and...
- Alison Monahan: And that you can go look it up.
- Sadie Jones: It's not what they want to do. Yeah, exactly.
- Alison Monahan: Again, go look it up. Again, we don't know that the firms that were in that position in 2008 are the same people who'd be in that position in 2020. We just don't know. And I do think these are questions that you probably could and should be asking people. Obviously, people can't really provide an answer, but I think they hopefully are at least thinking about how they might react: "How might you react if X happens? How might you react if Y happens?" Hopefully, these are conversations that are taking place.
- Sadie Jones: Definitely.
- Alison Monahan: Alright, well, anything else you want to talk about at this point? I mean, I know we're going to do some more specific podcasts to help people navigate this situation as it develops.



- Sadie Jones: I think just the overall lesson on being flexible. I really think that's the key to getting through this. I think it's something that people should always keep in mind, no matter where you are in this process, or what law school you're at, or what your grades are, or how many offers you had. It's always good to remember that sometimes what you thought you were going to do is not available anymore. And you can mourn that and you could feel bad about that, but then I think you need to find a way forward.
- Alison Monahan: I completely agree. I mean, imagine someone who's like, "No, I want to do this practice area, and this is the only practice area I'm willing to do", versus someone who's like, "Hey, you know what? I know I said I wanted to do this and I was really interested in it, but whatever you guys can find for me to do, I would be totally happy to do." Who of those are you going to want to keep?
- Sadie Jones: I know very few people who got completely switched and then long-term really thought much about it, to be totally honest. You just do what you do.
- Alison Monahan: Yeah, how do you know? It's like, "I want to do corporate M&A." You've never done that. You don't know what that's like.
- Sadie Jones: Or I think people have this idea of, "This is what a litigator is. This is who you have to be." The truth is, it doesn't have to be the same person. There isn't one person for any of these things. In this world, I just think that some things are going to disappear or go away or not be as big for a while, and some things are going to be bigger and more important. There are some creative ways to move forward. And hopefully, we'll have some more information soon.
- Alison Monahan: Hopefully. Alright, well, with that, we are out of time. Thank you so much for joining us.
- Sadie Jones: Thanks for having me.
- Alison Monahan: My pleasure. Good luck to everybody listening out there! It's a very uncertain time. Hopefully, this has been some useful historical context for you as well. For more career help and the opportunity to work one-on-one with us, you can check out [CareerDicta.com](https://www.careerdicta.com). If you enjoyed this episode of the Law School Toolbox podcast, please take a second to leave a review and rating on your favorite listening app. We would really appreciate it. And be sure to subscribe so you don't miss anything. If you have any questions or comments, please don't hesitate to reach out to Lee or Alison at [lee@lawschooltoolbox.com](mailto:lee@lawschooltoolbox.com) or [alison@lawschooltoolbox.com](mailto:alison@lawschooltoolbox.com). Or you can always contact us via our website [contact form](https://www.lawschooltoolbox.com/contact) at LawSchoolToolbox.com. Thanks for listening, and we'll talk soon!



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