

Professional services hiring likely to creep up through year

By MARILYN BOWDEN

All things considered, experts say the forecast for professional services is optimistic, especially in the second half of the year.

"Across the board," said Dennis Nason, principal of Nason & Nason Search Consultants, "I think hiring will be slow in the first half of this year, but in the second half we'll see some effects of different parts of the stimulus package kicking in."

"In financial services, we're going to see continued erosion of commercial banks for the next six months. Banks have laid off about all they will, so employment there will be level through the next six months and after that increase on the professional services side."

He predicted that legal and accounting firms will start hiring a little more vigorously after the first quarter.

"A lot of companies are waiting to see what Congress will do," he said.

"In large part, I see a continuation of what we have seen for the past two to four years in the professional services sector," said Neil Rollnick, partner-in-charge of the Coral Gables office of Yoss LLP and chair of the law firm's national real estate practice.

While some legal practice areas are beginning to ramp up and certain areas are tapering off, he said, this is a natural contraction and expansion that takes place continually in the profession.

Prominent among the busier areas of practice, Mr. Rollnick said, is real estate law.

"While real estate is not anywhere near where it was in 2007," he said, "the amount of activity we saw at the end of last year and going into this year is far greater than it has been."

"The corresponding portion of that is that as the market begins to improve and continues to, the areas of commercial litigation and bankruptcy will of necessity begin to slow down. I expect commercial litigation, bankruptcy, workouts, troubled debt restructuring and so on will continue to be strong throughout 2011, but in time they will become a little softer."

The movement of attorneys



Photo by Maxine Usdan

Some lawyers see a chance to change firms, but those seeing a good year will stay put, says Neil Rollnick.



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from one firm to another is likewise fairly constant within the profession, Mr. Rollnick said.

"I think we will see, as always, mergers of large firms, acquisitions of smaller firms and various specialized groups leaving large firm to set up boutique practices," he said.

"There's a twofold approach to movement within the profession of law. Those attorneys who were fearful of making a move because the economy was too soft might now have a more aggressive attitude and look to move out into a different practice."

"Alternatively, as profits improve, we will also see many attorneys seeing that their firm has turned a corner and is projecting a good year, so they will be content to stay where they are."

The accounting profession begins 2011 in pretty good shape

after a rough couple of years, said CPA Monte Kane, managing director of Kane & Co. and past president of the Florida Institute of CPAs.

"Most CPA firms have

downsized and stabilized," he said. "Some have lost clients as many companies go out of business, so there have been more and more consolidations. In South Florida, a lot of it had to do with the litigious environment and scandals. Sometimes firms don't make the best decisions in terms of risk when they take a client on."

The role of the CPA is changing, Mr. Kane said, as clients lean more heavily on them as consultants.

"I think that CPAs have always been known as trusted advisors," he said, "but clients understand that to make good investments they have to evaluate the fundamentals and not take the advice of friends."

"There's a lot of technology



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tools that will help the industry do well, but at the same time we need to recognize the need for personal contact with clients, and touch base with them several times a year with information."

Businesses are starting to spend money on technology, Mr. Kane said, and there's a greater demand for bank loans.

"We are trying to help our clients get more tech-savvy so they can access information on secured portals," he said.

"But our biggest concern is in commercial real estate lending. That still has to settle down."

Mr. Nason said commercial real estate is the most notable exception to the general improvement among local professional businesses.

"There is a bubble that is going to burst on the commercial real estate side," he said. "Five-year bullet loans booked in May through October 2006 are going to start coming due and will fall into nonperforming loans. That will dump additional product on the market. It will hit over the summer and will not allow prices to slip back up."