

Banking & Finance annual report

desire for more partner input has resulted in changes to the structures of law firms: "Leverage at law firms generally used to be one to five, but now it's one to two." Uria argues that it is time for law firms to "re-think themselves and their processes". He adds: "To gain efficiency and to provide better services to their clients, law firms should invest heavily in technology and also develop new capabilities and skills in areas like the legal implications of 'big data'." Pérez López says that technology is an important tool for talent retention at law firms. "Associates now have changed their priorities, giving much more importance to their personal life," he adds.

"Technology allows them to work away from the office and gives them more opportunities for conciliation between personal and professional life." Clifford Chance's Pérez says technology "allows lawyers to add value to clients as clients want to be updated regularly". Bernad says that often law firms have huge amounts of information that is not used for business purposes. He adds: "Law firms often used to have departments with each department behaving like different firms because of their different practices – for example, tax, labour, public law, and so on – with different methods used for billing and budgeting – whereas auditors often share their analyses internally."

Pérez says law firms need to

improve "cross-selling" within departments and externally: "Cross-selling practices is a priority."

However, Crosse says that cross-selling within law firms can be difficult. "If you take your eye off the ball, you get buried in another transaction – it needs constant effort, you may end up missing some cross-selling opportunities." Bernad says that, to help with cross-selling, there is a need to create internal networks within law firms – other than email, which is for "professional matters". Uria says it is important to change the way lawyers relate to clients. He adds: "As a collateral effect of consolidation, especially in the financial sector, there are now fewer clients so to build a long-term relationship cross-selling is increasingly important – the time in which the relationship was limited to a single transaction from time to time is gone." Llorio says the challenge for law firms in the coming years will be to become more sophisticated as banking and finance becomes increasingly complex: "There are more finance providers, complex regulation, more sophisticated clients and deals and we will need to see more use of the capital markets."

Uria says that banking lawyers are leaving a world they knew – which included a lot of restructuring – and encountering issues such as new banking regulation. "There is also a compliance quest for lawyers and the challenge of digital technology – we, as lawyers, need to use technology better, and it's important to provide a real international network for clients," he says. Meanwhile, Herrero says efficiency is a key challenge for law firms, as is helping clients in "cross-border markets".

Portugal: Unimaginable situation

Crosse says that one of the challenges and opportunities for law firms is the "sheer variety" of work available. "Clients want a more detailed analysis of their options," he says. Pérez says the increase in real estate finance presents an opportunity for law firms, but the challenge is profitability. "We have to keep profitable and grow fees at a time when restructuring work is decreasing," he adds.

Luis Branco, partner at Morais,

Spain: What are currently the biggest opportunities for law firms in banking and finance?

"Institutional investors are back in the Spanish market and the past focus on opportunistic investments – primarily in the real estate sector – has now generally expanded to most areas of activity, with the obvious impact that it has in terms of the provision of legal services." Marcel Enrich, partner, Baker & McKenzie

"With regard to transactional work, the new, and not so new lenders and traditional banks' excess of liquidity are making possible a number of new financings." Abraham Nájera Pascual, partner, CMS Albiñana & Suárez de Lezo

"The provision of regulatory support in the adaptation of credit entities to the new corporate governance requirements, especially regarding the new functions of boards of directors." Miguel Prado, senior associate, at Deloitte Abogados

"Financial restructuring, refinancing, insolvency law-related matters, recapitalisations, contractual disputes, and enforcement of rights against lenders under financing agreements." Belén Berlanga, partner, Yingke Adarve

"Fintech initiatives represent a good opportunity for law firms since these new activities usually involve regulatory issues and pose some challenges to a legal framework that is not fully adapted to these financial services that are only rendered online with a cross-border approach." Xavier Foz, partner, Roca Junyent

"As far as new actors – such as funds– and new capital markets structures are being considered as an alternative, a certain commercial rivalry takes place between different players and structures, and so new and different roles for law firms appear in the market." Javier Menchén, partner, Ramón y Cajal Abogados

"I feel that there are a number of different alternatives as regards financing and, as a result, those firms that are more prepared to give quality advice on a number of scenarios and products are those more prepared to take the chances in this new environment." Guillermo Yuste, partner, Araoz & Rueda

"The Spanish banking sector is not showing great enthusiasm for providing financing, which creates an opportunity for foreign banks, as well as big insurance companies which are involved in financing." Stefan Meyer, partner, Monereo Meyer Marinel-lo Abogados

"Assisting our clients in adapting to the onslaught of new regulations, and the consolidation process these rules will probably bring about." María Gracia Rubio de Casas, partner, RdC Abogados

"The development of new forms of banking – such as shadow banking – and the implementation of new ways of protecting consumers." Fernando Zunzunegui, founding partner, Zunzunegui Abogados

"Financing international expansion projects and foreign trade transactions, and refinancing domestic energy projects once the regulatory framework has been clarified." Joaquín Sales, partner, King & Wood Mallesons