The Anatomy of Legal Recruitment in India: Tracing the Tracks of Globalization

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I. INTRODUCTION

Globalization is changing the Indian legal profession through, among other things, its effects on the corporate legal sector and legal education. Over the past two decades the Indian corporate legal sector has grown so quickly that now the majority of India's elite law school graduates take positions in the corporate sector rather than, as in the past, in litigation or government. In addition, Indian legal education has changed, with more course offerings focusing on corporate, business, and international matters. Despite the considerable discussion this has generated, relatively little is known about one of the critical channels through which these developments are occurring – the legal recruitment processes in India. Understanding recruitment, however, is important because it not only influences the profession's membership but also serves as a bridge between the profession and legal education. Indeed, many of the effects of globalization can be traced through the recruitment process. We explore this topic through a detailed description and analysis of recruitment in the corporate legal sector in India, as well as through in-depth interviews of those involved in it. Our analysis provides insights into India's recruitment process, how it has changed over time, and how globalization has affected it.

This is an opportune moment to explore recruitment at elite Indian law schools because seismic changes to recruitment have occurred since India became increasingly globalized. Indeed, since 1991 recruitment has gone from an ad hoc model (geared toward placement in litigation) to a more structured but student-facilitated process (targeted at the corporate legal sector) to an emerging and somewhat more mixed model where corporate legal sector employers rely on student-facilitated processes as well as internships, professional recruitment services, and in-service training.

These changes led us to explore the important role of student-formed and -run entities, which act as intermediaries, in the recruitment process. These entities are the result of the collective action by students at each school (with little support or direct compensation) and perform a variety of tasks including those performed by career service offices in the United States (such offices are rare in India). We explore in greater depth the formation, structure, norms, and functioning of these student-run entities as well as *why* this recruitment structure developed in India,² considering that the recruitment models in other countries are quite different.³

We also examine the factors that are most likely driving these changes in recruitment. In particular, we explore how increasing globalization and market growth in India are putting pressure on recruitment processes. For example, if the demand for law firm services continues to increase, we might see Indian law firms growing larger and becoming more willing to invest resources in recruitment. Further, as the complexity of law firm work increases (e.g., due to increasing cross-border work or greater reregulation in India), law firms may want their new hires to be more informed about these matters, putting greater pressure on recruitment systems to assess complex legal skills and on legal education to provide them (whether in law school or later at work). This interaction provides us with a window into the impact of recruitment on legal education and allows us to explore (1) the evolving relationships between law firms and law schools and (2) how changes in that relationship may impact recruitment practices.

Part II describes our research strategy and methodology. Part III describes the dominant model of recruitment in the corporate legal sector in India. Part IV explains why this model was developed. Part V identifies the pressures that the current model of recruitment faces and highlights several important changes that the recruitment function is likely to undergo in the near future. Part VI analyzes how globalization and market pressures might lead to changes in the broader relationship between law firms and law schools. Part VII concludes

II. DATA AND METHODOLOGY

We obtained information on recruitment processes largely by conducting semistructured interviews of the primary employers and employees in the Indian corporate legal sector. For employers we interviewed people involved in recruitment of entry-level lawyers at thirty-eight corporate law firms, LPO firms, in-house counsels' offices, and legal nonprofits in Kolkata, Delhi, Gurgaon, Hyderabad, Bangalore, and Mumbai in July and August 2011.⁴ We

selected law firms to approach for interviews based on their presence in Legal 500, Chambers and Partners, and PLC Which Lawyer?, because the larger law firms are likely to have a more pronounced impact on legal recruitment. For employees we interviewed students involved in the recruitment processes at the more elite law schools in Delhi, Mumbai, Bangalore, Hyderabad, and Jodhpur.⁵ Although there are more than nine hundred Indian law schools and colleges, the graduates of the elite law schools largely populate the employee bases of corporate law firms and larger in-house departments in India (Bar Council of India 2010).⁶

Our research strategy may be biased by our exclusion of less selective schools and noncorporate legal-sector employers (which is where most Indian law graduates work), but this enables us to concentrate on changes in the corporate legal sector, which is the sector where we see the greatest recruitment changes and can trace the impact of globalization most clearly (Bar Council of India 2014; interview 2 with recruitment agency executive, 2011). Having said that, it is important to note that although the corporate legal sector in India has been growing rapidly and is paying fairly high salaries,7 its scale (and the scale of the more elite law schools) is still quite modest relative to other countries, especially the United States, as noted in "Pro Bono and Corporate Legal Sector in India," by Arpita Gupta (this volume). This suggests that our research strategy is likely to cover many of the most significant current players. However, the recruitment system in India is also likely to be somewhat different from those in countries with a larger corporate legal sector. Simply put, the scale of the corporate legal sector is likely to affect its recruitment system because the structure of recruitment depends in part on how many people firms wish to hire. Although we discuss the differences in recruitment in India, the United States, and the United Kingdom, there are important similarities, too.

Finally, in addition to the interviews, we use data reported in *Legally India*, a website dedicated to discussions on the legal sector in India. This data is self-reported by student-run recruitment coordination committees (RCCs) and may be biased because RCCs wish to present their schools in a good light, indicating that they were highly successful in placing their students. On the other hand, the relatively large size of RCCs and the ease with which law students pass information to one another suggest that egregious misrepresentation of law student placements in self-reported data would be corrected through leaks from dissatisfied law students from any school whose RCC engaged in misrepresentation. Moreover, based on the interviews that we conducted with legal employers, the self-reported placement data from RCCs appears to be fairly accurate.

III. THE LANDSCAPE OF LEGAL RECRUITMENT IN INDIA

The process of recruitment for Indian law graduates has changed substantially in the past two decades. Prior to 1991 and the liberalization of the Indian economy, most graduates from leading law universities pursued a career in litigation where the process for recruitment was relatively informal (Galanter 1968; Galanter and Robinson, 2017, this volume). You might start your own practice (with all its challenges and uncertainties) or seek to be a "junior" (working as an apprentice, often for very little or no pay, in an established advocate's chambers). The selection process was largely ad hoc and depended on what the established advocate considered important. Although this might seem unappealing, starting a successful litigation practice in India was often considered very difficult to do without strong personal or business connections (ibid.). In addition, at this time, law firms were few in number, small in size, had informal hiring processes, and did not do the majority of hiring at elite Indian law schools.⁸ In light of this, there were no recruitment or placement services at Indian law schools and little formal selection processes or criteria for the vast majority of law school graduates.

Liberalization in 1991 and increasing globalization brought more opportunities for the growth of corporate legal work (Chapter 3 of this volume). Law firms began expanding and became more important employers. Additionally, the National Law Schools were being established in this time frame. (The first national law school, National Law School of India University (NLSIU)-Bangalore, was founded in 1987 and others in the late 1990s.) These highly selective institutions produced a large number of the more recent employees at India's larger law firms. Indeed, NLSIU-Bangalore first organized campus placements around 1995, coinciding with the growth of the Indian economy and the corresponding emergence and growth of Indian corporate law firms (Interview with Umakanth Varottil, 2012). The confluence of economic liberalization and the development of the National Law Schools satisfied some of the large and increasing demand for corporate lawyers. In the remainder of this section we discuss the factors that were important in recruitment and the recruitment processes that took root in the National Law Schools starting in the mid-1990s and early 2000s.

A. Important Factors in Recruiting Decisions

A key consideration in recruitment was which law school a student attended. Large law firms in India generally made entry-level hires from a small number of elite Indian law schools – often just the top five National Law Schools

School	Number of mentions
NLSIU-Bangalore	19
NALSAR-Hyderabad	18
NUJS-Kolkata	16
NLU-Jodhpur	11
Delhi University	9
ILS-Pune	9
NLIU-Bhopal	9
Symbiosis-Pune	9
GLC-Mumbai	8
GNLU-Gandhinagar	8
HNLU-New Raipur	8
Amity Law School-Delhi	5
NUALS-Kochi	5
Christ University-Bangalore	4
ULC-Bangalore	3
Army Institute of Law-Mohali	2
CMR Law School–Bangalore	1
CNLU-Patna	1

Jindal Global Law School NALSAR LLM program NLSIU LLM program RMNLU–Lucknow

School of Excellence in Law Chennai

TABLE 1. Number of distinct mentions in thirty-eight interviews with corporate legal employers¹¹

(Interview 11 with law firm managing partner in Kolkata, 2011; Interview 14 with law firm founding partner in Mumbai, 2011; Interview 22 with senior law firm partner in Delhi, 2011; Interview 24 with law firm head of strategy and HR executive in Delhi, 2011; Interview 26 with law firm partner in Hyderabad, 2011). Although some law firms did look outside this cluster, they rarely recruited junior associates outside of roughly twenty-five law schools (Table 1). The perception is that there is a high variance in quality at most Indian law schools and that the National Law Schools and the other schools listed in the chart tended to have better students.

Another important consideration was the grades students receive while at law school. Law firms would have access to three or four years of students' grades because recruitment usually begins in the fourth year of legal studies (out of five) at the National Law Schools. Out of the thirty-eight legal employers we interviewed, eighteen believed that grades were important or

very important factors, including at least three employers who have explicit cumulative grade point average (CGPA) cutoffs, while only four stated that grades were unimportant or irrelevant. In addition to grades, law firms desire students who participate in national and international moot court competitions, present papers at conferences, work on a law review, and possibly do research with a professor.¹²

Thus far, the factors considered to be important are substantially similar to what we might see in the United States (i.e., which law school you attended and how you performed) (Ginsburg and Wolf 2004). Scholars in the United States have noted that US law firms hire on the basis of limited information about the candidate (e.g., often with only first-year law school grades to consider). In India there is more information on grades in that students have completed more courses by the middle of their fourth year of legal studies. However, those courses rarely include corporate or commercial courses (which are more common in the fourth and fifth year of legal studies), so a corporate legal employer may not get a good sense of a student's aptitude or ability in these key areas.

B. The Recruitment Process in India

In this section we briefly describe the recruitment processes for graduates from elite law schools in the United States and the United Kingdom looking to enter corporate law practice. We then describe the processes that corporate legal employers use to recruit law students from India's elite law schools. There are, as we shall see, significant differences.

1. Recruitment Processes in the United States

Tom Ginsburg and Jeffrey Wolf provide a detailed discussion of law firm recruitment in the United States (Ginsburg and Wolf 2004). Recruitment is run by professionally staffed law school career services offices that coordinate interactions between law firms and students (Ginsburg and Wolf 2004). These offices have a nationwide professional organization, the National Association for Law Placement (NALP), whose members include "virtually every American Bar Association—approved law school in the United States, Canadian law schools, and hundreds of legal employers from both the public and private sectors" (NALP 2012). The NALP has adopted detailed guidelines regulating the behavior of law schools, students seeking jobs, and legal employers seeking to hire students (NALP 2010). Law firms typically conduct interviews on campus at the beginning of law students' second year of law school or during

the summer after their first year of law school. On the basis of students' grades, résumés, recommendations, and performance in on-campus interviews, firms invite the students to interview at the law firm's office (ibid.). After conducting these interviews, firms will offer paid summer internships to the students they wish to hire for the summer between their second and third year of law school. Large firms in the United States primarily make permanent job offers, for positions starting after students complete their third and final year of legal studies, to those students who were selected as summer associates. Indeed, these firms make job offers to a very high percentage of the summer associates. Over the years there has been a drift toward recruiting students even earlier in their law school careers, perhaps as a way to hire the best students before there is too much competition for them (Ginsburg and Wolf 2004).

2. Recruitment in England and Wales¹³

In England and Wales, the process at leading universities does not involve an active career placement office. Instead, students are introduced to various law firms at career fairs generally during the first year of university (with their likelihood of success depending somewhat on the size and prestige of their college). 14 By the end of the first year students may apply for a "vacation scheme" or "vacation placement" for the summer after the second year of university. Vacation schemes are two-week programs that are similar to summer associate programs in American firms. Getting a vacation scheme depends on a mix of grades and interview performance. Generally, at the end of the vacation scheme, students can interview for a permanent position – a two-year training contract that may or may not result in an associate position at the end of the two-year period.15 A training contract is often contingent on passing the legal practice course (a one-year course students have to take following completion of a law degree and before joining a firm) and on earning certain grades in their third (and final) year exams. This process is for students who choose to work as solicitors in law firms, as opposed to qualifying as barristers by pursuing a pupilage at one of the chambers.

3. India

The path from law school to law firm takes a different course in India. There are two ways to secure a permanent job offer from a law firm in India. The first is through "campus recruitment" – students interview with a law firm on campus and, on the basis of their interview, résumé, grades, and other materials, the law firm decides whether to offer them a permanent postgraduation job. These

interviews now occur in the fourth year of law studies (out of five) at the National Law Schools in India.¹⁶

The second is through "preplacement offers" (PPOs) – students intern with a law firm while in law school and, on the basis of their performance as an intern, the firm may offer them a permanent postgraduation job. These internships often take place in the third year of law studies at the National Law Schools. The likelihood of obtaining an offer for a permanent position after an internship is not as high as the chances of obtaining a permanent position after being a summer associate at a law firm in the United States. Indeed, it is not uncommon for law students in India to intern at multiple firms before obtaining an offer for a permanent position. Moreover, the internships in India are, in general, fairly low-paying, and students are expected to cultivate an active, busy schedule ("wining and dining" or "courting" is less common than in the United States or United Kingdom).

The direct campus recruitment path is the most common way to be offered a permanent position, although PPOs are becoming more popular.¹⁷ In addition, these two processes are significantly similar – students frequently obtain internships through an on-campus selection process, which strongly resembles the campus recruitment process. They may also obtain positions by directly approaching law firms, relying on private recruitment agencies, or using connections and contacts from friends and family. We first discuss campus recruitment and internships (the most common methods of recruitment) and then briefly discuss other methods.

a. CAMPUS RECRUITMENT AND RECRUITMENT COORDINATION COMMITTEES Indian law schools do not have professional career services offices. Instead, students coordinate the recruitment process for securing a "desk job." Law students interested in finding jobs through campus recruitment set up an administrative apparatus that they usually call the "campus recruitment committee," "recruitment coordination committee," or "recruitment coordination cell (RCC)." Students who use an RCC pay a small fee to cover the administrative costs of the cell (such as taxi costs for law firm representatives to get to campus from the airport and a brochure containing the members CVs) and elect several members of the organization, who are usually not actively seeking employment that year, to form an executive committee to manage the recruitment process.¹⁸ Every year these student-formed RCCs write their own rules for interactions between law students and law firms. Prior RCC rules typically serve only as a starting point and can vary considerably from year to year (and among schools).

RCCs perform several functions. First, they sort and vet candidates. Students send their CVs (or résumés) to the RCC, which checks every line of the CV, as well as provide the committee with certificates or witnesses to prove that they interned with the people they claimed they did (NALSAR RCC 2011, 2014; NLSIU RCC 2014). The committee also checks students' CGPAs and then ranks them by CGPA for law firms (interview 42 with two RCC members, 2011; interview 41 with RCC member, 2011).

Second, RCCs serve as intermediaries between students and employers. RCCs will decide which firms to invite to campus recruitment. One RCC member told us, "We decide when firms will be invited to recruitment based on the name of the firm, reputation, pay scale, and whether they hire a large number of people" (interview 41 with RCC member). Generally, international law firms and Indian firms paying the highest salaries and hiring the largest number of students receive the earliest time slots for campus recruitment. All communications between students and the firms go through the RCC's executive committee – students are usually strictly prohibited from communicating personally with employers participating in the RCC process, and RCCs may impose severe penalties for violations of these rules (e.g., being barred from using the RCC process and sometimes paying monetary fines) (NALSAR RCC 2011).

Third, RCCs impose rules on their members regulating how they can interview with legal employers and what they must do when they receive job offers. Some RCCs have rules requiring members to respond to job offers from large firms within two days of receiving the offer. RCCs also require that students disclose job offers that they receive through preplacement offers or other method (NALSAR RCC 2011). More substantively, some RCCs have imposed "no hold" policies, prohibiting students from holding open job offers or turning down job offers (Ganz 2011a). For instance, an RCC at a well-established national law school imposed a no-hold policy recently under which any student utilizing the RCC's services who received a job offer with total annual compensation of 500,000 rupees or more was automatically withdrawn from the RCC and therefore debarred from sitting for further RCC-arranged interviews, whether or not he or she accepted the job offer (E-mail from NALSAR RCC to members, 2011).

The presence of no-hold policies and functional equivalents to "exploding offers" is fascinating given the rarity of such measures in the more formal US recruitment process (Ginsburg and Wolf 2004). This may reflect both the Indian students' interest in maximizing the number of students getting desk jobs and the law firms' interest in being able to staff their firms quickly (without having to get into a bidding war for individual students). It may well

be that as India's corporate legal sector continues to expand and the "war for talent" becomes more intense, it will become difficult to maintain such no-hold policies.¹⁹

Finally, faculty are not normally actively involved in recruitment at the elite law schools (interview 41 with RCC member, 2011). Recruitment is largely student driven, and only the newer law schools attempt to involve faculty.²⁰ Indeed, one might view faculty efforts at these newer schools as steps to get greater recognition for newer entrants in legal education by increasing the placement prospects for their students.²¹

b. Internships leading to preplacement offers An important alternative (and in some cases supplement) to the RCC model described earlier is the increasing use of internships, which may then lead to preplacement offers (PPOs). Internships in India are programs where law students spend somewhere between two to eight weeks during one of their term breaks (or over the summer) working at an Indian law firm. Law firms may then choose to make a PPO to that student. Internships can be obtained through an RCC or an internship coordination committee set up with procedures similar to those for RCCs (interview 42 with two RCC members, 2011). Many students obtain internships through less formal processes without going through an RCC or internship coordination committee (Interview 19 with person in charge for recruitment of freshers at a law firm in Delhi, 2011; Interview 32 with law firm cofounding partner in Mumbai, 2011; Interview 36 with law firm director of human resources and senior associate in Mumbai, 2011; Interview 37 with general counsel in Mumbai, 2011; Interview 38 with law firm founding partner and partner in Bangalore, 2011).

Additionally, many corporate legal employers review applications for internships from a larger pool of schools than they are willing to consider when making permanent hires.²² This is in part due to the low pay and reasonably high work (and hour) expectations for interns, suggesting law firms face little risk in hiring them. Further, firms will also sometimes make PPOs to students from schools they do not normally recruit from if the students perform well during their internships (Interview 24 with law firm head of strategy and HR executive in Delhi, 2011; Interview 29 with law firm founding partner in Mumbai, 2011). From our interviews it appears that many law firms (of all sizes) and in-house departments have started using internships. Indeed, many employers, especially smaller law firms and in-house departments, increasingly hire students permanently through their internship programs, and some larger law firms are beginning to hire significant numbers of junior associates via internships.²³

- c. "FREE AGENTS" Although most large corporate legal employers prefer to go through RCCs or internships, a significant number will at least look at CVs and application materials sent from students outside of formal recruitment processes, particularly those at schools where the firm or corporation does not do campus recruitment (Interview 40 with general counsel in Bangalore, 2011).²⁴ Some smaller corporate legal employers prefer to receive applications from individual law students because they either think individual applicants are more likely to really be interested in their firm or they suspect that by the time they interview students through an RCC, the best students at a school will already have been hired by other (usually larger and perhaps higherpaying) employers (Interview 34 with law firm founding partner in Bangalore, 2011; Interview 30 with law firm partner responsible for human resources and hiring in Mumbai, 2011). Additionally, some very small corporate law firms do not hire on an annual basis or do not have the resources necessary to participate in campus recruitment, and these firms tend to hire "freshers" (firstyear junior associates) exclusively through internship programs or through applications that they receive from individual students (Interview 4 with law firm partner in Delhi, 2011; Interview 5 with law firm founding partner in Delhi, 2011.)25
- d. PRIVATE RECRUITMENT AGENCIES Some private headhunting and recruitment agencies have emerged in the past several years that try to match lawyers to firms. These agencies tend to focus their efforts on senior associates and partners, although occasionally law students will go through these firms to obtain entry-level jobs with corporate legal employers (interview 2 with recruitment agency executive, 2011). Nonetheless, this path is not a common one for obtaining entry-level positions.²⁶
- e. RECRUITMENT THROUGH FRIENDS AND FAMILY Some students may be able to obtain internships and permanent jobs through their own contacts (e.g., family members or friends). As this process is more informal and idiosyncratic, we did not study it carefully. Most legal employers report that family ties and friendships do not play any role in permanent hiring decisions, but can be important in awarding internships (which may then lead to permanent jobs) (Interview 20 with law firm named partner in Delhi, 2011; Interview 21 with law firm lead partner in Gurgaon, 2011; Interview 16 with law firm managing partner in Mumbai, 2011; Interview 37 with general counsel in Mumbai, 2011).

Although these five different mechanisms operate to some extent at a large number of corporate legal employers, it is clear that the dominant method for recruiting new lawyers at corporate law firms and in-house offices is campus recruitment through RCCs, while the role of internship programs has grown significantly in the past several years.²⁷

IV. THE DEVELOPMENT OF THE INDIAN MODEL OF LEGAL RECRUITMENT

Our description raises a natural question: Why did this model develop in India? Indeed, given that recruitment is considerably important to law firms in India, it is somewhat surprising that they are willing to rely on a student-facilitated recruitment structure. Of course, law firms do interview candidates before making final offers, but the firms appear to accept student-run organizations taking on a very active intermediary (and screening) role. Correlatively, it is not immediately obvious why students are willing, without receiving any direct compensation, to invest the time and effort necessary to run and manage RCCs not just for themselves but for other students who are usually one year junior to them.

At the same time, one wonders why Indian law schools do not take a more active role given that student placement is an important factor in school rankings as well as where students choose to enroll. Further, given the less active role of law schools in recruitment, one wonders why Indian law firms weight grades so heavily. Indeed, for many law firms, law school grades are critical despite little evidence that grades achieved by one's fourth year correlate with success in a corporate law job.

In this part, we explore how the motivations and incentives of law schools, students, and legal employers led to the development of the student-run RCC model. We also note some similarities and differences to the US recruitment model. Following that, we explore how recent changes are putting mounting pressure on this recruitment model.

A. Indian Law Schools

The first national law school, NLSIU, initially set up interviews with students and law firms upon the request of law firms, but once it became clear that law firm positions were becoming the dominant job for graduates, the NLSIU administration, led by founding director Professor N. R. Madhava Menon, began moving away from facilitating such interviews and the RCC model emerged (Interview with Umakanth Varottil, 2012). This model was in turn adapted with some modifications by other National Law Schools.

Why did the administration pull away from taking a more active role in recruitment efforts by law firms? One likely explanation was that NLSIU was not initially set up to train and educate corporate lawyers, but rather to train the best and the brightest for areas of public interest law (see Chapter 16 of this volume). One might speculate that some law teachers and administrators were hesitant to assist law firms in recruiting so many students because of concerns that law firms might undermine student interest in public interest law (Interview with founder of a national law school, 2013). In addition, the elite law schools in India were (and are) by and large state-run and their interests may not have included a high degree of focus on corporate law firms. Further, most law professors were not working in the areas of commercial and corporate law and were perhaps unlikely to think of career services for the law firm sector as part of what legal education is, or perhaps should be, about.

Even so, one might have thought schools would display greater interest in placement matters to compete for better students and to enhance their rankings. Here a number of factors are likely to be at play. First, in the mid-1990s (when NLSIU began to pull back from assisting in recruitment), there was little pressure from prospective students for more professionalized recruitment for corporate law work because the corporate legal sector – although growing fast – was still small, most students went into litigation, and most other elite schools did not have active faculty or administration involvement in recruitment. Second, once demand for graduates by corporate law firms increased, law schools probably thought it was not necessary to invest in recruitment because students were obtaining corporate law positions quite quickly. This reflected the high growth in demand for these students by corporate legal employers and the small number of elite law school graduates (even after more National Law Schools were formed), which meant they were likely to find positions with little investment of resources by the schools.

In this context schools had little impetus to invest in recruitment unless new entrants in legal education thought offering recruitment services would be a differentiator. Indeed, at present, the law schools with the most faculty involvement in recruitment are the newer ones (which are often private).

B. Indian Law Students

Students appear concerned with ensuring that everyone in their class gets a job at a law firm if they want one, both to reduce the uncertainty of obtaining positions for themselves (and other students they are concerned about) as well as to enhance the importance of their alumni network in the future (Ganz 2011a). The National Law Schools in India are tight-knit social environments and some, such as NLSIU, have developed and maintained strong alumni

networks.²⁸ Students aware of the benefits of such networks are likely to find value in trying to ensure that their classmates are also well placed. Students can increase the likelihood that everyone who wants a corporate job offer gets one by forming a group that coordinates and imposes rules, such as no-hold policies, that they think will increase the odds that all students, or as many students as possible, get offers from firms.

This then raises another question: Why would students be willing to work and serve on the RCC executive committee gratis when the committee members themselves could not directly and immediately benefit from it (i.e., they were not looking to obtain positions) and the benefits would go to the students one year junior to them? One potential explanation is that RCC executive members build valuable contacts with firms they coordinate with (even though they are not typically interviewing with them) who may be valuable later on in their professional lives. Serving as an RCC executive might also signal a willingness to work with a team and contribute to building institutions, which might be attractive traits to potential employers. Finally, RCC executives gain information about how the recruitment process works, which might enhance their own ability to make lateral moves later on in their careers.

Another likely motivator is social esteem. Law school student bodies in India, as noted earlier, are tight-knit social groups. In the National Law Schools fewer than one hundred people are in a class and they are living together on fairly remote campuses for five years. Through this close interaction they get to know one another very well. Serving on an RCC provides social esteem from their classmates (McAdams 1997).

However, there are issues with having RCCs intermediate with law firm hiring. Students and the RCC's executive committee are in a principal-agent relationship, as the students' welfare somewhat depends on how well the executives perform their job, but the executives may have different interests from the students (Hansmann and Kraakman 2004). For example, students might worry that RCC executive committee members could tilt the playing field by making use of the RCC's resources to present their friends (or perhaps themselves) more favorably to law firms. Further, students may worry about RCC executives' shirking their broader responsibilities, especially if students serve on the executive committee just to list the RCC on their CVs.

These agency problems appear to be addressed with several monitoring and bonding strategies.²⁹ Generally, RCC executive committee members are prohibited from interviewing with employers with whom they are responsible for communications, and executive committees are large enough that it would be difficult for a member to break any conflict-of-interest rules without other committee members noticing (interview 42 with two RCC members, 2011).³⁰

Students are also more likely to vote for executives who are perceived as uninterested in securing a placement through campus recruitment, because they either plan to purse an LLM abroad or have already secured a PPO (Interviews 44–47 with former national law school RCC executive, 2011–2012).³¹ Incompetent RCC executives might be removed by a vote of the RCC's members and would likely also suffer social sanctions from other students, resulting in reputational damage (NALSAR RCC 2011). Indeed, monitoring executives' behavior may not be that costly for students because they may be able to assess this through normal social interactions and as participants in the campus recruitment process.³² Finally, some schools have a faculty member as an advisor to the RCC, which may also serve to police or deter tilting the field by RCC executives (interview 41 with RCC member, 2011; interview 42 with two RCC members, 2011).

Although RCCs may have ways to address agency problems, students with stronger academic records still have an incentive to either not be part of the RCC process or defect from it and approach law firms individually (e.g., as free agents). This does not often happen for several reasons. First, applying for jobs through RCCs may dramatically cut search costs for applicants relative to applying to firms individually (Ginsburg and Wolf 2004). Second, successful students might do almost as well, and perhaps better, going through an RCC than approaching firms as a free agent (Interview 24 with law firm head of strategy and HR executive in Delhi, 2011).33 One LPO firm told us that while they accept applications outside of the RCC, they would offer a student who applied directly a salary of 100,000 to 200,000 rupees lower, holding all else equal.³⁴ Third, successful students might lose the esteem of their colleagues in very tightly knit student bodies if they were to go outside of the RCC to seek corporate law jobs, making defection less likely (Alchian and Demsetz 1972). Thus, the potential gains from defecting for students with strong CVs might not be enough to outweigh the increased costs of conducting an independent job search without the resources of the RCC and taking whatever attendant risks that may entail.35

C. Indian Law Firms

There are several reasons why law firms may desire a largely student-run recruitment process. First, many small and midsize Indian law firms lack the scale necessary to make dedicated human resources (HR) personnel worthwhile, and larger firms have smaller and less professionalized HR departments than British or American firms of comparable size. Further, many lawyers do not think that building human resources is as important as building a professional

practice (i.e., business and client development). Indeed, some firms may not think having their better or more senior attorneys spend time on recruitment, as opposed to business development or corporate legal work, is wise given the extremely high demand and low supply of corporate legal talent at the senior associate level and above. Thus, one might expect law firms to economize on recruitment costs by having outside entities undertake some of it. Relying on RCCs to vet CVs, prepare rank lists of students, and schedule campus interviews helps firms trim the number of likely candidates to a smaller number on which firms can then focus their own (costly) recruitment efforts. Moreover, this screening is being done at essentially no cost to the law firms, which is attractive.

One might still wonder why firms would trust student-run RCCs to vet applicant CVs given that RCCs want to make their members look as good as possible. One suspects the reputational costs of gaming the system would be high to the executive committee. RCCs and law schools are in a repeat-play scenario with law firms (each year they will have new graduates looking for positions at law firms) and have incentives to ensure that law firms are pleased with the services provided by the RCC – otherwise law firms may choose to go to the next closest competitor school for hiring. Further, one of the benefits of being on an RCC is the goodwill and contacts developed, so RCC executives do not wish to be cavalier about how law firms perceive their efforts. Indeed, given the relatively small size of India's corporate legal sector, such concerns may weigh heavily on RCC behavior and would likely deter RCC members from performing poorly.³⁶ In addition, because students have friendships that span across years at law schools, some of the social prestige pressures that help ensure that RCC executives perform their duties may also encourage them to be aware of how their behavior in one year could impact future recruitment by corporate employers at their school.

Although this account explains the emergence of the RCC model of recruitment, one wonders why law firms seem to have little interest in consulting with faculty on hiring or in bringing the law school administration more actively into the mix. Part of the explanation appears to be that most law faculty do not espouse much interest in commercial law matters and consequently may not be able to provide helpful insights about students to law firms (Chapter 16, this volume). Further, our interviews indicated both law firms and law students seem to share a fairly low opinion of the administrative competence of law schools. Indeed, some students said that students do a far better job running the recruitment process than their schools could (Interview 41 with two RCC members, 2011). Finally, firms might think that students are more likely to be trustworthy than law school faculty or administrators, because most RCC

executives are entering legal practice and might face more severe reputational costs for misleading employers than would administrators or teachers at a law school.

V. PRESSURE ON THE INDIAN MODEL OF RECRUITMENT

As we have seen, there are plausible explanations for how the current model of recruitment has developed. But why are we starting to see movement away from this model toward a model that relies more on hiring through internship programs?

A. Pressure From Newer Law Schools and Students

Less elite or established schools are beginning to involve faculty more in placement as well as professionalizing their processes to enhance their students' chances for obtaining "desk jobs." For instance, Christ University has had strong faculty involvement in developing connections between students and law firms, and Jindal Global Law School has signed memoranda of understanding with a variety of Indian and foreign law firms (Interview 40 with general counsel in Bangalore, 2011; Interview 33 with law firm senior partner in Mumbai, 2011; Interview 12 with law firm managing partner in Mumbai, 2011; Interview 12 with law firm managing partner in Mumbai, 2011). It is not surprising that newer entrants to legal education are attempting to restructure recruitment, because new schools may have greater difficulty finding desk jobs for their students if they are unable to disrupt currently dominant practices. If they are unable to make progress on this, they are likely to have trouble attracting qualified students willing to pay their tuition.

Further, even if firms have some skepticism about the value of faculty involvement in recruitment at the National Law Schools (where student quality is very high, there is little faculty interest in commercial law matters, and administrative support is weak), they might still value faculty involvement where there is greater variation in student quality and better administrative support (e.g., the newer law schools). This would aid firms in identifying generally talented students at these less elite schools.³⁷

The students from these less elite law schools may also be putting pressure on the traditional system of recruitment by applying directly for internships or permanent positions with law firms that do not typically recruit at the law school the student is attending. If law firms think that they can find better candidates by looking at independent applications from students at the top of the class at a less famous law school, rather than applications from the middle

of the class at a more prestigious law school, firms might have an incentive to move away from the current structure.

B. Pressure from Legal Employers

Firms have been developing more-sophisticated techniques for evaluating job applicants including using in-depth, in-person job interviews, written exams, and what some firms call "psychometric testing" (i.e., some sort of behavioral testing or personality profiling) (Interview 24 with three lawyers and HR executives at large law firm in Delhi, 2011). Although law firms of all sizes are beginning to make greater use of internships to recruit new lawyers, the reasons are different for small and midsize firms and for large firms.

1. Small and Midsize Legal Employers

Small and midsize firms (i.e., those with fewer than 50 lawyers) appear concerned with their inability to influence campus RCC recruitment because they cannot offer to place as many students as the larger firms. These firms do not get the early slots for on-campus interviews and hence suffer a disadvantage in attracting talent relative to the larger firms, who interview earlier and make offers that students must accept or reject before interviewing with other employers. These smaller firms thus think they can do a better job of finding good talent through internships (Interview 21 with lead partner at a small law firm in Delhi, 2011; Interview 30 with law firm partner responsible for human resources and recruitment in Mumbai, 2011; Interview 38 with law firm founding partner and partner in Bangalore, 2011). In addition, some smaller employers, like boutique law firms with very competent lawyers, are highly attractive to talented students who may prefer to work for them than the larger firms.³⁸ If these kinds of smaller and midsize employers continue to increase their use of internship programs and PPOs for recruitment, then the traditional campus recruitment model could be considerably eroded.

2. Large Legal Employers

Larger law firms are also moving toward greater use of internal tests and internships. There could be a number of reasons for this. First, as larger law firms engage in more-sophisticated corporate legal work (often related to increasing globalization), they are keen to hire students with the talent for this kind of work.³⁹ Moreover, firms cannot easily screen for this when they hire through the RCC process because grades may not reflect this skill. However, internships – which provide a longer window over which to view

a student's skills – allow firms to assess a candidate's skills for complicated transactional work (Interview 32 with law firm cofounding partner in Mumbai, 2011). Second, since many firms are willing to give internships to students from a broader range of law schools than they normally consider for recruitment, the internship provides students from less prestigious schools and less well known employers the opportunity to get to know one another and assess whether their needs and skills match. Finally, as firms grow, they are likely to find it attractive to develop more professional human resources processes and hire human resources specialists, who may be better placed to implement mechanisms like written and oral tests to sort applicants for internships and permanent positions. In a larger firm with continual hiring needs, there may be significant economies of scale such that firms will become willing to invest the resources necessary to run recruitment through their own systems (or obtain such resources, like proprietary tests, through best friends arrangements with foreign law firms), rather than systems designed and run by RCCs (Interview 30 law firm partner responsible for human resources and recruitment in Mumbai, 2011)

C. Pressure From Other Sources

Several other factors, while less frequently cited by our interviewees, may play some role in changes in the recruitment system.

1. Pressure From Private Recruitment Firms

Several private recruitment agencies now exist that specialize in legal jobs. While law firms generally rely only on private recruitment firms to identify talent at the middle to senior associate level, some agencies aspire to provide credentials that better reflect the skills that law students need to succeed as attorneys. So far, none of these agencies appears to have developed any successful credentialing service for junior associates, but if a private recruitment agency were to succeed in developing such a service, it could disrupt the existing RCC model. Such a credentialing service might, however, have more impact on LPO than on corporate law firms given the relative novelty of LPO and the fact that many LPO customers are from outside of India, where the credentialing may have additional benefits.

2. Pressure from Hiring Date Competition

Over the past several years, large legal employers have moved the dates on which they hire during campus recruitment earlier and earlier as they compete

with one another to lock up the most talented students. As employers face pressure to hire earlier and earlier in the recruitment process, the process might become less valuable to them (Interview 40 with general counsel in Bangalore, 2011). Particularly if hiring talented students requires that employers hire so far in advance that they cannot adequately assess the candidate or anticipate their staffing needs, they may conclude that they would be better off foregoing the RCC process. The movement of the hiring date has analogs in US experience, too (Ginsburg and Wolf 2004).

D. Recruitment and Globalization

One of the questions raised by these rapid changes in recruitment is what is causing them? We suggest that globalization has a major role to play in these unfurling developments.

Prior to liberalization, the primary employment Indian law graduates targeted was litigation, particularly noncommercial (see Chapter 2 of this volume). Given the tight state controls on the economy and the rather slow pace of adjudication in Indian courts, most business matters might not have been adjudicated in courts but rather in government agencies or through private dispute resolution fora (or through social or family networks). Against this background, there was little need for a highly structured recruitment process into law firms.

However, as globalization and liberalization began to influence the Indian economy, we witnessed rapid growth leading to more contracts, more acquisitions, and more business generally. This also led to more commercial disputes, a different kind of client (corporate clients versus individuals or government), and a greater need for specialized legal talent in the corporate space. The advent of the National Law Schools around the same time that law firms needed to recruit many corporate lawyers provided a supply of talented, freshly minted attorneys.

RCCs might be seen as a response to this increased demand against a background of limited human capital and the relatively small size of Indian law firms. Consider the following constraints (some surely short term) law firm recruitment in India might face: the administrative structure of law schools was not directed to recruitment issues (and especially not recruitment at law firms), law faculties' attentions were focused on other important issues, and law firms simply did not have the time for their better attorneys to spend on recruitment as opposed to business development and corporate legal work. Law firms were also fairly small and may not have found it worthwhile to invest in large recruitment or HR departments.

In this context, one potential solution might be to rely on a group of people who (1) had knowledge of the legal education system and its participants, (2) could effectively vet student CVs, coordinate communications between firms and applicants, and structure the campus recruitment process, and (3) had conflicts of interest that could be managed. Final-year law students who had already secured employment appear to meet these conditions and would have done so at extremely little cost to law firms. Moreover, their incentives (likely based on goodwill, connections with future employers, and social esteem) to perform a screening and verification function might have been sufficient to provide law firms with the basics they needed to conduct their work – which at the beginning of globalization may not have been particularly complicated corporate work.

The changes to recruitment we are now witnessing may reflect the increasing number of players who need corporate legal services (including midsize firms and in-house departments) and the increasingly complex nature of their work (which is driven in part by globalization and the rising complexities of domestic and cross-border legal work). With this need for added quality, services are developing that allow employers to assess a candidate's knowledge as well as ability to perform the tasks at hand (e.g., internships). Globalization has a major impact here as well because as business continues to grow and as India becomes a destination for those selling products, as well as a place to source and produce goods, we are likely to see growing demand for increasingly complex corporate legal work.

V. THE RELATIONSHIP BETWEEN LAW SCHOOLS AND LAW FIRMS

At present, Indian law firms have minimal involvement with law schools beyond recruitment, but there appears to be a desire for change. A number of the employers we interviewed indicated they wanted stronger involvement in Indian law schools, especially to identify and recruit strong legal talent (in particular, because the highest value transactions appear to require better education and more-sophisticated attorneys).⁴⁰ This might include greater offerings on subjects that interest them (e.g., project financing). Further, some of the schools outside of the elite cadre are expanding their efforts at placing their students and increasing course offerings, which may begin to put pressure on elite schools to become more active in providing recruitment and educational services.⁴¹

In addition to these developments, foreign law firms (which sometimes hire graduates of elite law schools) have run short courses at Indian law schools (Venkatesan 2011; Indian Universities Support Initiative, Herbert Smith

Freehills). This is in part because they want to develop good relations with members of the Indian corporate legal sector in case, or for when, the legal market opens up to the broader presence of foreign law firms, but also because they want to identify talented students they can recruit to work in their London or Singapore offices (Chaturvedi 2013). Their increasing presence is also likely to affect the pressures on legal education in India.

VI. CONCLUSION

In this paper we have presented several important findings. Law students and legal employers organize recruitment through student-run recruitment coordination committees (RCCs) at highly selective law schools in India. For students, RCCs represent a way of coordinating activity with a view to maximizing placements for themselves, while for law firms they save scarce time and resources that can be used on business development rather than recruitment. The RCCs are also fascinating for how the students developed detailed internal systems to address the most likely problems RCCs may face. While the RCC-run campus recruitment process remains the dominant model of recruitment of new associates in the Indian legal market, legal employers are moving toward hiring through internships, and there are some concerns with the RCC-run campus recruitment process from small and midsize firms and in-house law offices. At the same time, less prestigious and less established law schools are developing more-professionalized career services in the hopes of disrupting the current model of legal recruitment.

The changes just described have been influenced by globalization's impact on India. The student-run recruitment model can be seen as a response to changes wrought by liberalization and globalization in India against a backdrop of limited human capital and the size and incentives of Indian law schools, law firms, and law students. As India's interactions with globalization increase and as India's domestic laws and business become more complex, one can anticipate further changes to the model of recruitment. More complex (and often cross-border) work and the presence of even larger, and growing, law firms may lead to greater incentives for law firms to invest in recruitment and a desire by law firms and students to demand more from law schools in terms of available educational offerings. This is complemented or supplemented by increasing reliance on internships, which help firms identify those students with greater knowledge and sophistication about the issues relevant to globally oriented business.

Although India's model of corporate legal sector recruitment has many interesting and perhaps somewhat unusual features, it still shares a number of

similarities with recruitment systems from elsewhere (e.g., such as the United States). For example, Ginsburg and Wolf (2004) note that the US system of recruitment tends to rely on limited information about students and is quite decentralized (in contrast to other professional services markets such as medical residencies) and provide explanations for why this might be (Ginsberg and Wolf, 2004). We see some similar features in India's recruitment model (decentralization, limited information), but some differences as well (e.g., nohold policies). We discuss some of these differences and likely explanations for them in this paper. Indeed, exploring recruitment systems across countries in a comparative manner may also be a fruitful avenue of inquiry. We leave that for future research.

Notes

- 1 Scholarship examining the impact of globalization on the legal profession is a fast-growing area, including Dezalay and Garth (2002), Ribstein (2010), Silver (2011), Terry et al. (2012), Li and Liu (2012), Garoupa (2014), Wilkins and Papa (2015), and other chapters in this book. Two websites are dedicated to legal issues in India: Legally India (www.legallyindia.com) and Bar and Bench (www.barandbench.com).
- 2 These entities are examples of private ordering and thus connect to a vast literature, including Ellickson (1991), McAdams (1997), Posner (2000), and McAdams and Rasmusen (2004). There are also potentially interesting comparisons to the judicial clerkship system in the United States, for example Avery et al. (2007) and the operation of US law reviews.
- 3 For discussion of US recruitment, see Ginsburg and Wolf (2004).
- 4 We have numbered the interviews that we conducted, and they are referenced in the following format: interview with [code number of interview] [brief description of position of person interviewed] [year]. Interviews numbered 1–43 were conducted in July and August 2011; interviews numbered 44–47 were conducted by e-mail in February and March 2014.
- 5 The incoming class sizes of these elite law schools are smaller than at many US law schools. For example, the top fifteen Indian law schools probably average fewer than one hundred students enrolling each year, and many of these top fifteen schools did not exist even ten years ago (interview 2 with recruitment agency executive, 2011).
- 6 Some students also secure nonlegal jobs with large international firms as management consultants or investment bankers (Chaturvedi 2013). In 2011, at the five most selective "National Law Schools" in India, 69% of graduating students took "desk jobs," which are jobs involving some sort of corporate legal work, and half took jobs with corporate law firms, international or domestic (Ganz 2011, relying on figures that are self-reported by the student-run campus recruitment committees). The five most selective law schools in India among the schools that use the Common Law Admission Test (CLAT) are National Law School of India University (NLSIU)—Bangalore, National Academy of Legal Studies and Research (NALSAR)—Hyderabad, West Bengal National University of Juridical Sciences (NUJS)—Kolkata,

- National Law Institute University (NLIU)–Bhopal, and National Law University (NLU)–Jodhpur (Ganz 2011). Almost all of the National Law Schools use the Common Law Admissions Test.
- 7 The starting salaries at the larger Indian law firms have been increasing quite quickly over the past twenty years (Ganz 2011; Legally India 2013).
- 8 One important exception to this is Government Law College–Mumbai, which has a long record of placing graduates into articleships in solicitors' firms in Bombay (Sayta 2011a; Gingerich and Robinson 2017. this volume; Interview 32 with law firm partner in Bombay, 2011).
- 9 In 2013 there were an estimated thirty thousand CLAT test takers competing for about fifteen hundred seats (Ganz 2013; Information Brochure, Common Law Admission Test, 2013).
- However, one large firm reported that they avoid hiring graduates of National Law Schools: "First, NLS-Bangalore has a very strong network, and I am worried about confidentiality... Friends tell other friends about what is happening at the firm... These NLS grads also seem overconcerned with money and promotion, and even as they are bright, I do not know if they are competent.... They have no sense of ownership toward the place" (Interview 16 with law firm managing partner in Mumbai, 2011). It may well be likely that several recently founded law schools, including National Law University—Delhi and Jindal Global Law School, will join this list once students start graduating from their five-year BA/LLB programs.
- 11 This table may understate the degree to which law firms hope to hire from the most selective National Law Schools, because some employers told us that they recruit from the "top eight" or "top ten" law schools without specifying which schools they consider these to be.
- 12 Graduates from the top five most selective law schools may be able to obtain positions even with more lackluster grades. For example, in 2011 all of the students at NLSIU, NALSAR, and NUJS who sought "desk jobs" in law firms or in-house offices managed to secure them (Ganz 2011a, 2011b; Sayta 2011b).
- 13 Sandie Ferrans, Jennifer MacLeod, and James Woolrich provided background information on the legal recruitment process in England and Wales (DATE). Some law firms in the United Kingdom appear to recruit students out of high school.
- 14 In England and Wales, a student need not study law in university to secure a training contract with a law firm. Students who study a different subject complete a one-year "conversion course" after law school to obtain legal training.
- 15 It is also possible, though not very likely, to secure a training contract without having completed a vacation scheme at a firm.
- 16 Some other elite schools allow for three-year LLBs after completion of a bachelor's degree in another subject. For this latter category the interviews are usually in the second year of law studies.
- 17 More information can be found in stories published by *Legally India* at www .legallyindia.com/tag/campus-recruitment.
- 18 At some law schools, such as NALSAR, students who do not pay the RCC fees or participate in campus recruitment nonetheless participate in elections of RCC executives (NALSAR Recruitment Coordination Committee (RCC) Rules 2011 and 2014; NLSIU Recruitment Coordination Committee (RCC) Rules 2014).

- 19 There may be some movement on this already in that some RCCs recently have allowed students to sit for interviews with domestic and international law firms and hold one of the offers for at least some period of time (NALSAR RCC 2011).
- 20 The legal employers we spoke with rarely noted interacting with faculty members when dealing with RCCs (Interview 40 with general counsel in Bangalore, 2011; Interview 43 with faculty member at an elite non-national law school, 2011). For more on this, see "Placement Details," Jindal Global Law School, www.jgls.edu.in/content/placement-details (accessed February 27, 2014). This strategy seems to be enjoying at least some success (Ganz and Shrivastava, 2013).
- 21 Twenty of the legal employers we interviewed reported that they are never, or only rarely, contacted by faculty for students.
- 22 Eighteen of the corporate legal employers we spoke with reported that they consider applicants from a broader range of schools for their internship programs than when hiring for permanent positions.
- 23 Five employers in our sample reported that their internship programs have become a more important part of their recruitment strategy within the past year or two (Interview 32 with law firm cofounding partner in Mumbai, 2011; Interview 33 with law firm senior partner in Mumbai, 2011; Interview 35 with law firm founding partner in Bangalore, 2011; Interview 36 with law firm human resources director and senior associate in Mumbai, 2011; Interview 40 with general counsel in Bangalore, 2011). Others report that PPOs are a very important part of their recruitment strategy, with one reporting that they now recruit exclusively through their internship program (Interview 14 with law firm founding partner in Mumbai, 2011; Interview 19 with law firm person in charge for recruitment in Delhi, 2011; Interview 22 with law firm senior partner responsible for hiring decisions in Delhi, 2011; Interview 29 with law firm founding partner in Mumbai, 2011; Interview 38 with law firm founding partner in Bangalore, 2011). No employers reported that internships are becoming a less important part of their recruitment strategy.
- 24 At least twelve of the legal employers with whom we spoke entertain applications received from individual students outside of RCCs.
- 25 Some recently formed small firms, including one firm in Mumbai with fewer than five lawyers, reported going through campus recruitment for their limited hiring needs (Interview 15 with law firm founding partner in Mumbai, 2011).
- 26 None of the legal employers whom we interviewed reported relying on private recruitment agencies for hiring entry-level associates.
- 27 Twenty of the employers we spoke with report that they hired freshers through campus recruitment, but this included all of the corporate legal employers with one hundred or more lawyers whom we interviewed. Many of the largest corporate legal employers reported hiring freshers exclusively, or almost exclusively, through campus recruitment.
- National Law Schools appear more likely to have socially tight-knit student bodies than do traditional law schools because their student bodies are relatively small (there are typically fewer than one hundred students in a graduating BA/LLB class), they are stand-alone institutions rather than part of larger universities, and some, such as NALSAR and NLUJ, are geographically isolated, making it more likely that students will form social bonds with one another (Ballakrishnen 2009). Also see "For the Kind Attention of Alumni Students," National Law School of

- India University–Bangalore www.nls.ac.in/resources/oldsiteresources/alumni.html (accessed February 27, 2014).
- 29 The agency problem might also be reduced by selling RCC executives a residual claim to the income that RCC members will earn after they have secured employment with law firms, causing executives to internalize the cost and value of their management decisions. However, because successful RCC members will secure jobs with salaries that depend on effort and skill rather than easily alienable resources, such a strategy is problematic (Fama and Jensen 1983).
- 30 For more, see Fama and Jensen describing how professional partnerships resolve agency problems in part by delivering services through "small group[s] of professionals who interact and monitor one another intensively" (Fama and Jenson 1983).
- 31 Other factors influencing elections include possessing contacts in law firms, friendships with students voting in the RCC election, gender, and CGPA. At some schools, voters tend to prefer candidates who seem likely to contest general student body elections in their final year in law school, as it is assumed that such students will try to do a good job running the RCC to secure votes in general elections (Interview 45 with former national law school RCC executive, 2012).
- Moreover, students at each elite law school are small-enough groups (usually fewer than eighty in a year) that there may be real individual welfare benefits from monitoring RCC executives.
- 33 Many firms state that while they will consider applications sent by individuals, they prefer applications submitted through RCCs.
- 34 One might speculate as to why an employer may pay less in this context. It is conceivable that it reflects the additional verification costs the employer may expend to check the applicant's details (which are done gratis by the RCC) or perhaps a perception that the candidate (by going outside of the RCC) was signaling something negative about himself or herself (e.g., less of a "team player" or less loyal) (Ginsburg and Wolf 2004).
- 35 Finally, we might still wonder why law students do not hire a recruitment agency or headhunting firm to run campus recruitment on their behalf, rather than doing it themselves. One reason is that hiring an outside agency does not eliminate monitoring costs for the students they must still monitor the outside agency and it may be more difficult to assess the agency's efforts because students do not know (or live close to) the people running the agency. The RCC has the distinct advantage of being relatively low cost to monitor for students (Alchian and Demsetz 1972). Ultimately, the RCC presently survives as an organizational form because it delivers the product demanded (recruitment coordination) at lower costs than other organizational forms that are available (e.g., external agencies) (Fama and Jensen 1983).
- 36 One also suspects law firms are not taking much of a risk when hiring from the top National Law Schools, given the high admissions standards (Menon 2009).
- 37 It may also be that if law school incoming class sizes increase and law firms continue to hire actively, then law schools may find the investment in placement offices to be more worthwhile.
- 38 Talented students may prefer such firms both because of the nature of work and work culture and because chances of becoming an equity partner might be brighter here than at the larger corporate law firms.

- 39 That law school grades are not highly informative is a criticism that is often leveled at law school grades in the United States, and they may be even less so in India because of high rates of academic misconduct and faculty often put little or no effort into grading accurately (Ginsburg and Wolf, 2004; Gingerich and Singh 2010).
- 40 Twenty-one of the legal employers whom we interviewed desired greater collaboration with law schools.
- 41 There are, of course, countervailing pressures: some stakeholders in law schools are upset that National Law Schools do not do more to serve the practicing profession or to serve the human rights community, for instance (Interview 23 with head of a legal services organization in Delhi, 2011).

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Interview 15 with law firm founding partner in Mumbai, 2011.

Interview 16 with law firm managing partner in Mumbai, 2011.

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Interview 22 with senior law firm partner in Delhi, 2011.

Interview 23 with head of a legal services organization in Delhi, 2011.

Interview 24 with law firm head of strategy and HR executive in Delhi, 2011.

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Interview 29 with law firm founding partner in Mumbai, 2011.

Interview 30 with law firm partner responsible for human resources and hiring in Mumbai, 2011.

Interview 32 with law firm cofounding partner in Mumbai, 2011.

Interview 33 with law firm senior partner in Mumbai, 2011.

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Interview 35 with law firm founding partner in Bangalore, 2011.

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