

The Sun Does Not Always Shine Forever

By Harrison Barnes

One of the best pieces of advice I ever heard was: "The sun does not always shine forever." I don't remember who the person was, or even when I heard it, but the words were so powerful I will never forget them. What this meant to me was good fortune does not continue forever. Instead, the most important thing we can do in our work lives is (1) be ready for change and (2) prepare for change. Unfortunately, many of us guard against change. Guarding against change rarely does any good and often causes harm.

Are you in a role in your career right now where you are guarding against change? It's never good to be on the defensive in your career and life. The people who win in their careers and lives are always those who are on the offensive. When you are on the offensive you are advancing, and when you are on the defensive you are retreating. You cannot retreat forever. Inevitably, you will find yourself boxed in with nowhere to go.

You should always be on the offensive.

There are many companies in America on the defensive right now. These include companies in the financial industry and numerous manufacturing companies. When I've been out and about in Los Angeles and heard people talking, I've heard things like, "No one is hiring. There are no jobs." While I disagree with this statement, I do believe these people are finding a disproportionate number of firms and companies who are not hiring because they are in retreat. Companies go into retreat when people stop spending. Many give up and simply close their doors.

All over the United States, an incredible number of people are being laid off. What is happening is very sad, and it's devastating to the people being affected by it. When times are good, companies hire people very aggressively. In many cases, they hire people where their skills are actually redundant so that they are better prepared to handle change.

When business is good, law firms and other companies start hiring as many people as they possibly can to do the work. The people they hire become very "cocky" and will jump from firm to firm in search of more money or more prestige. Or the people inside the organization may become complacent and will make more demands on the company for benefits and other things. They may refuse to work as many hours. They may band together against management. They may go on message boards and complain about their employer. Meanwhile, these same people watch their lifestyles get better and better, and they go out and purchase nice cars, they may move into nicer apartments or homes, and they feel good about the lives they have achieved.

This is what happens all over. When a company is doing well, the people working inside the company decide (rightly so) they have contributed to the growth of the company and want in on "the action." In the largest companies, the people may unionize. In smaller ones, the people may band together and simply demand more benefits or higher salaries. It may be a good idea to try to get benefits when things are going well. In theory, there is nothing wrong with this idea. This is a process that is repeated over and over at countless organizations around the world when things are going well.

During good times, a customer service department may go from one to five people. Other areas of the company may experience similar growth. When the business goes away, as it inevitably does in many recessions, the people in the department start doing everything possible to protect their jobs. Despite the fact very few calls are being received, the people in the customer service department will band together and claim they are all needed to field the few calls coming in. The people will tell of the incredible need for customer service representatives and how much the company will be affected if they are not all there. These cries for "good customer service" will often come despite the fact there are no customers. The management will listen to this and fear taking action. The management will continue paying these representatives and vendors.

Inside law firms, you may see memos or emails like the one below being sent from partners to associates about work loads:

From: John Quinn

Sent: Thursday, October 09, 2008 2:10 PM

To: Attorneys

Subject: things are slow right now

More so in some offices than others. Lawyers are funny. In April, May and June we averaged over 200 hours per attorney – an unbelievable, perhaps unparalleled work pace for a firm as large as ours. Many wondered how we could possibly keep that up. Now we're averaging 150 plus per month and people are worried. So one point to be made here is that "slowness" is relative.

The pace is down significantly because a number of major matters, on which scores of attys were working full time, went away--trial ended, the case settled, etc--at the same time. 10 of the largest billing matters in 2008 thru the end of Sept, 9 have been completed. These are the kinds of cases you do not replace immediately.

This really shouldn't be a cause for concern though. Our basic practice strategy--focusing on financial litigation, trial work, being able to be adverse to financial institutions, etc--is clearly sound. In fact, in this business environment, we're better situated than any firm I know. Lots of claims will be brought arising from the financial chaos and they will require firms that can be adverse to banks. We are at the top of that list. Many law firms will suffer. I don't think we will.

There are lots of business development issues and non-billable tasks to be done. We expect everyone will pitch in on such projects when asked to do so.

John B. Quinn

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While there is likely truth to a memo like this, the fact is when work starts decreasing inside companies and law firms, people may get very nervous. The attorneys inside law firms become very nervous because the less work there is, the more they realize the sun may not continue to shine forever. It is a very scary world when we realize we don't always have employment stability. This happens in all companies and organizations. Things eventually slow down and jobs start to disappear. There is a cycle of creation and destruction which characterizes all industries.

A few years ago, I was reading about what a big deal Dell Computers was and how the company was invincible. Now I am reading article after article about its layoffs and declining market share. A couple of years ago, I remember reading articles about how amazing Goldman Sachs was, how it was the most successful investment bank of all time, and how certain people there were earning 100s of millions of dollars. Now I am reading how this company is no longer an investment bank and had to borrow money from Warren Buffett. Recently, I've read about how great Apple Computers is, but even more recently, I've read rumors that Steve Jobs is sick and dying. When he dies, the company could lose any momentum it has. Yesterday, I read that in September the American steel industry had one of its best quarters ever, but the final quarter of the year was one of its worst. Now steel plants all over the United States are being shut down, and workers are being laid off. Things are so bad for the US steel industry they are seeking a government bailout.

I read articles like this on a daily basis, and what it all says to me is we cannot take anything for granted. Inside law firms, people start losing their jobs when work slows down. Law firms generally begin whittling away their weakest (i.e., the people they dislike the most, or the people they feel contribute the least) for performance reasons. The attorneys are told their work is not up to par, or asked to look for other jobs. This process will generally occur until the law firm is healthy and earning again.

This same process occurs inside companies. The companies will do everything within their power to eliminate as many redundancies as they possibly can so they can return as rapidly as possible to profitability.

The more layoffs I've read about in the papers, the more I realize how the sun has stopped shining for so many people. All over the United States, and throughout the world, an incredible number of people have built lives for themselves, which are now slipping away. Employers are doing everything possible to eliminate waste.

Where does this leave you? First, you need to be ready for change. You simply cannot expect that your job will go on like it has forever. The idea that the steel industry in America could go from one of its best quarters ever, to one of its worst almost overnight, sends an incredible message: nothing is secure. My grandmother lived through the Great Depression and after this she lived her life in an incredibly frugal way. While this extreme may not be necessary, it is important to understand the need to be ready for change. You should have a rainy day fund. If you do not have one now, start creating one.

You should also be prepared for change. This means being aware of other potential jobs you could have and knowing what is going on in the market – one of the most important things anyone can do. While I am the Chief Executive Officer of EmploymentCrossing and am biased, I can assure you using a site like this is an incredibly intelligent and very good use of your time. A site like this is no different than checking the stock market to check your worth and the worth of your stocks. You need to be watching the market because the market is your job security. In a good market, you are fine, and with a poor market, you need to be prepared for change.

Do not spend your life guarding against change. It won't do you any good. You need to be proactive with your life and your career. If you find you are protecting and guarding yourself in your existing career, this is not a good sign. Generally, this means you feel you may not be providing value commensurate with what you are paid. If this is the case, you need to step up and provide more value, or find somewhere you can provide value that matches your contribution.

THE LESSON

Since the sun does not always shine forever, you must take a pragmatic approach towards your life and career; remember that good fortunes are never permanent. Do not take your job for granted. Instead, watch the market and be aware of other potential jobs. Rather than guard against change, be prepared for it.

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