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SRS Legal: new leadership, new horizons

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by ilaria iaquinta

In a significant leadership transition, **César Sá Esteves** and **Octávio Castelo Paulo** have taken the helm as the new managing partners of SRS Legal, the Portuguese law firm established in 1992.
Sá Esteves and Castelo Paulo, both seasoned partners with extensive experience, aim to continue the firm's growth trajectory.
Under their leadership SRS Legal achieved a revenue of €16.8 million in 2023, up from €16.4 million in 2022, reflecting consistent growth over the past few years.

SRS Legal has also been actively restructuring and enhancing its capabilities (see dedicated box). With a clear vision for innovation and expansion, Sá Esteves and Castelo Paulo discuss their strategic plans, the integration of technology, and how they plan to navigate the challenges in the Portuguese legal market, ensuring SRS Legal's continued success both domestically and internationally.

How have your first months as MPs been? What have been the biggest challenges and achievements so far?
Octávio Castelo Paulo (OCP): Our journey has been very positive. The previous managing partner and naming partner meticulously planned the succession process, which was discussed and agreed upon by the entire partnership.
After holding an election, we developed a programme to modernise the firm with fresh ideas, which received unanimous approval. We began in January with full support and have worked to revitalise the organisation over the past six months. Balancing management duties with client commitments has been challenging but fulfilling. We are optimistic about the future.
César Sá Esteves (CSE): Our programme has been well-received and supported.
The main challenge now is to execute it and achieve results.
So far, we have introduced new policies, a career plan, a new budgeting and business planning model, and a new approach to feedback and monitoring.
Additionally, we have developed a strategy for international business.

SRS LEGAL EN NÚMEROS

33 partners

119 lawyers

170 collaborators

16,8 million revenue 2023

16,4 million revenue 2022

Is the current reshaping of the law firm driven by market evolution, or is it due to a change in its ambitions?
OCP: It's a bit of both. Primarily, our main partner is approaching retirement, necessitating a management transition to ensure the firm's continuity. We're entering a new phase, which is a common in law firms. Typically, a firm is built around its founding partner's name, but transitions are inevitable. In our case, decisions have been made, and in a few years, there will be another process, potentially leading to our replacement, which is natural. We've been involved with the firm from nearly the start and have been engaged at the board level for many years, though not in the executive roles we hold today. Therefore, it was a natural progression for us to assume these positions.

TIMELINE

1992
Established, forming part of Grupo Legal Português with Simmons & Simmons, J&A Garrigues, and Pinheiro Neto

1993
A new finance practice was created under the leadership of Pedro Rebelo da Sousa

1994
The firm moves from a small office to two floors on Rua Castilho

1996
Following the departure of Pinheiro Neto, SRS Advogados establishes a JV with the Brazilian firm Veirano Advogados

1998
The firm opens an office in Madeira

1999
The firm opens its Porto office

2001
The firm merges with Simmons & Simmons and changes its name to Simmons & Simmons Rebelo de Sousa

2005
The firm moves its head office to an iconic 1970s building

2009
SRS Advogados becomes independent, ceases to be part of Simmons & Simmons, and creates its first international offices in Africa

2010
The firm merges with Soares Machado & Associados

2014
SRS Advogados launches SRS Global with a network of international offices in Angola, Brazil, Macau, and Mozambique

2017
The firm opens an office in Singapore

2020
SRS Advogados incorporates AAA Advogados

2022
30th anniversary of the firm and rebranding into SRS

RECENT KEY APPOINTMENTS AT SRS LEGAL

SRS Legal has recently announced a series of significant internal moves aimed at enhancing its service offerings. In June 2023, **José Jácome**, with extensive experience in litigation and arbitration, took over as the head of the dispute resolution department. Last September, **Diogo Feio**, known for his deep expertise in tax law, joined the firm to strengthen the Tax Law Department. Additionally, in January 2024, **Tiago Coder Meira**, who has over 15 years of experience in civil, criminal, and misdemeanour litigation, was promoted to partner within the dispute resolution department. These appointments underscore SRS Legal's commitment to recognising internal talent and attracting top professionals to ensure high-quality legal services.

What are the primary objectives for the firm in your programme?

OCP: Our plan focuses on four primary pillars. First, business: we aim to enhance our already high standards to achieve even greater excellence. Second, people development: we focus on developing both lawyers and support staff, by improving their legal knowledge and soft skills to better serve clients and enhance their commercial acumen. Third, technology integration: we are investing in technology, recognising that the legal profession is not immune to technological advancements like artificial intelligence. We want to be at the forefront of these innovations. Lastly, governance: we are reviewing and updating our partnership structures to ensure they are fit for current times. This includes looking at how we promote and develop partners and adjusting our rules to stay relevant.

Can you share your vision for SRS Legal's future and any strategic initiatives you plan to implement?

CSE: Our vision is to become the first choice in the Portuguese legal market for both clients and professionals. To achieve this, we are transforming our business plan and development models to make them accessible to all professionals. A significant focus is on training all professionals to develop skills that generate new business and improve client service. Additionally, we aim to be a model for attracting, retaining, and developing top talent, addressing the critical battle for talent in our industry. We are also committed to implementing the best tech solutions to support our professionals and enhance client service.

OCP: Lawyers tend to be conservative, but we recognise the need for new energy. We are equipping our lawyers with tools to enhance effectiveness and communication to meet evolving client expectations. We are considering new premises to foster innovation and modernising our processes and policies. Improving work-life balance for our employees is also a key focus, injecting fresh energy and ideas into the organisation while maintaining a balanced approach.

The law firm has shown consistent revenue growth over the past few years. What strategies contributed to this success and how do you plan to sustain it?

CSE: We began as an international firm through a joint venture with Simmons & Simmons, which equipped us with strong business planning and budgeting tools from the start. This structured approach has allowed us to grow sustainably in the Portuguese market. We maintain a balanced client portfolio, including both longstanding clients and new business opportunities. While we focus on organic growth, we also integrate new lawyers and teams when they align culturally, technically, and economically. Our goal is to continue expanding opportunities and growth in the Portuguese market.

OCP: We place great importance on financial management and are very cost-conscious, ensuring that costs grow in line with revenue. This balance is crucial for maintaining the firm's profitability and overall health.

THE INVESTMENTS IN AI

SRS Legal has made a notable advancement in its technological capabilities by investing in Henchman, an AI tool aimed at enhancing contract drafting and review processes. Announced in March 2024, this integration is set to improve efficiency and precision within the firm's operations. Henchman facilitates seamless access to relevant contract clauses and legal precedents, significantly reducing time spent on manual searches. This move underscores SRS Legal's commitment to innovation and maintaining high standards in legal service delivery. The tool also ensures compliance with major data protection regulations, reinforcing the firm's dedication to client confidentiality and security.

With recent investments in AI, how do you see technology shaping the future of SRS Legal?

OCP: Technology is crucial for the future of the legal profession. We have already adopted AI tools like Henchman for contract drafting and are exploring others like Harvey and Leya. These tools help us provide faster and more efficient services. Adopting AI requires careful decision-making, financial investment, and staff training, we remain cautious about cybersecurity and accuracy. We plan to integrate these tools as they mature. On the management side, our investments in productivity tracking tools have greatly benefited our operations, providing detailed information with just a few clicks.

CÉSAR SÁ ESTEVES

The firm has made several key promotions and hires recently. How do these changes align with your overall strategy?

CSE: Our strategy is closely aligned with our policy of promoting employees and lawyers. This principle is integral to our career development plan, ensuring all professionals are trained and ready for advancement. Organic growth is our primary focus, though we also consider lateral hires and team integrations that fit our culture and technical expertise. We conduct thorough due diligence to ensure compatibility. Over the years, we've had many discussions, but only a few have resulted in integrations.

OCP: Most of our partners began their careers with us, fostering a strong, cohesive culture. While we have various discussions and perspectives, our shared culture has driven our steady organic growth and successful team integrations.

What are the biggest challenges facing the legal industry in Portugal, and how is SRS Legal preparing to address them?

CSE: The arrival of new firms, both Spanish and international, has increased competition in a market traditionally dominated by local and a few Spanish firms. Additionally, consultancy firms are entering the legal sector, bringing with them well-structured organisations and robust portfolios, creating a new competitive landscape. Finally, the technological transformation of the legal industry presents both a challenge and an opportunity, necessitating adaptation and the adoption of new technologies.

OCP: To counter this, we focus on retaining our client base and top talent. We have developed an international project with dedicated partners to strengthen our relationships with leading US and European firms. This helps us mitigate local competition and attract higher-value work.

OCTÁVIO CASTELO PAULO

With a significant portion of your revenue coming from abroad, what are your plans for expanding SRS Legal's international presence?
OCP: We have a successful international project and strong links in Angola and Mozambique. These markets have significant potential, and we are committed to strengthening our presence there. We also maintain strong relationships with major law firms in key jurisdictions globally, which supports our growth.
CSE: Each department has an international component in its business plan, coordinated by our head of international business. Given the increasing competition, we are continuously looking to enhance our international opportunities and relationships.

Can you discuss your approach to fostering a positive and inclusive corporate culture at SRS Legal? What initiatives are in place to support the professional development and well-being of your team?
CSE: We have a strong tradition of gender equality, diversity, and inclusion. Many of our department heads are women, and we participate in various volunteer and community projects.
Our policies support work-life balance, with benefits like flexible working hours, paid parental leave, and a mentoring programme.
OCP: Our flexible work model, including options for remote work, is appreciated by our team and has not impacted productivity negatively. We also invest in our lawyers' education and professional development, which helps retain top talent and ensures they can advance within the firm.

Where do you see SRS Legal in the next five to ten years, and what legacy do you hope to leave as managing partners?
*CSE:*In five to ten years, we aim to be comfortably ranked in the top five law firms in Portugal, with a solid financial position and a reputation for excellence.
OCP: This legacy of stability and excellence is what we hope to leave for the next generation.