

The Business Case for Reduced Hours

by Linda Bray Chanow

When I decided to perform a study of alternative scheduling programs at area law firms, I was convinced that part-time schedules were necessary to accommodate women's family responsibilities. I did not realize that alternative schedules are strategic business tools that will help firms recruit and retain the best and the brightest attorneys. The findings set out in my study *Results of Lawyers, Work & Family: A Study of Alternative Schedule Programs at Law Firms in the District of Columbia* (WBA, www.wbadc.org, May 2000) demonstrate that alternative schedules are not only feasible, but also profitable.

The High Cost of Attrition.

Alternative schedules will help firms maintain their economic stability by decreasing the high costs associated with attrition. For instance, when Deloitte & Touche realized its women professionals were not advancing at the expected rate, the accounting firm performed an internal study. The study found that when each professional quit, the firm lost approximately 150% of the person's annual salary. The similarities between the structure of accounting firms and law firms suggest that the analysis may also be applicable in the context of law firms. Applying the 150% figure to the new salaries recently adopted by many firms, law firms lose more than \$200,000 on each departing attorney.

A Strong Correlation Between Hours and Attrition.

Evidence obtained through conversations with more than fifty members (including detailed interviews of almost thirty members) of the local legal community, and other subsequent research, suggests that high hour requirements cause attrition and that both men and women are leaving firms for jobs that require fewer hours. Michael Nannes, Deputy Managing Partner at Dickstein, Shapiro, Morin & Oshinsky said that the firm's Quality of Life Committee discovered a startling fact: "We were losing lawyers not to other law firms, but to other schedules."

Recent statistics, developed by American University Law School Professor Joan Williams, indicate that while most women will become mothers during their lifetime, only 7% of mothers between the ages of 24-45 with children under the age of 18 work over 49 hours per week. As law firms generally require associates to work in excess of 49 hours per week, those firms that do not allow part-time work, or do not promote attorneys who work less than fifty hours a week will lose most of their female associates when the women become mothers — along with the thousands of dollars spent recruiting and training them. Evidence also suggests that, in the future, firms will lose their female attorneys sooner; young women are less likely than their mothers to postpone starting a family until they become partner.

Men are leaving private practice as well. As more male lawyers marry professional women, an increasing number of men now struggle to meet both work and family demands. In addition, young men want to spend time with their family because they experienced isolation from their fathers or watched their fathers die premature deaths. These men place a high value on time with their children and they willingly play active roles in their children's lives.

Although men are assuming more family responsibility, many male attorneys face outdated male stereotypes that hinder their ability to use existing resources to balance work and family responsibilities. Nearly half of married attorneys have stay-at-home wives. Male attorneys with full-time working wives often cannot focus exclusively on their careers and they face criticism for what is perceived to be a lack of commitment. As a result, men leave firms for jobs that require a lower time commitment and allow them to meet their family responsibilities without the stigma associated with working part-time.

Alternative Scheduling Programs Increase Retention.

The results of my study suggest that rewarding alternative career paths lead to job satisfaction, which in turn, leads to increased retention. Deloitte & Touche estimates that the firm saves over \$14 million dollars annually by retaining professionals through flexible work arrangements. Dickstein, Shapiro, Morin & Oshinsky Deputy Managing Partner Michael Nannes witnessed the transformation of alternative career paths from being an accommodation to becoming a long-term strategic business tool. The firm's Gender & Quality of Life Committee, originally created to respond to negative publicity that caused a sharp decline in recruitment, "over time. . . began to realize that flexible work policies would, among other things, help the firm both attract and retain top lawyers." The firm implemented flexible work policies and, although it is too earlier to draw a direct correlation, the firm's summer class is now more than fifty percent female law students.

Consistent with this analysis, participants in my study ranked job satisfaction as the second highest benefit of their reduced schedule. All but two of the participants ranked job satisfaction high. Many participants linked job satisfaction to their reduced hourly schedule. One woman summed it up: "My job satisfaction has increased tremendously since I went part-time. If I had not reduced my hours, I would not be here. I simply couldn't do it all."

High job satisfaction translates to high retention rates. Seventy-five percent of the study participants reported that they worked at their firms for more than five years. Fifty-two percent were at their firms for ten years. Despite the existing reluctance by men to utilize alternative schedule programs, it is likely that firms that offer rewarding alternative career paths will also retain male associates. As "mommy track" policies are replaced with viable part-time programs that offer career advancement, men will likely begin to utilize the programs.

Alternative Scheduling Programs Attract Top Talent.

Alternative schedules will also help firms recruit young associates, like myself, who are either not willing or able to sacrifice their personal lives to meet the high hourly requirements at most firms. In *Managing Generation X*, Rainmaker Thinking Inc. President Bruce Tulgan explains that young workers share "a strong sense of family, and a high priority placed on family" that manifests itself in an unwillingness to give up their family time or independence to an organization in which they have no chance of achieving long-term security." According to Tulgan, young workers recognize that they cannot rely on established institutions to be the anchors of their success and security." This generation of young workers watched their parents devote their entire lives to a corporation only to be "downsized."

Not only are Generation Xers *less willing* to give up their family time, they are *not able* to give up the time. Almost one-fourth of all people under the age of 32 are either currently responsible or have been responsible for the long-term care of a family member or friend.

The "up or out" partnership track, combined with fewer partnership opportunities, reinforces Generation Xers' belief that their relationship with their law firms will be short-lived. Many recruits have responded by choosing firms based on the firm's ability to prepare them for their next legal jobs or to pay off their school loans. These recruits no longer have aspirations of making partner and join firms *planning* to leave in two years.

Successful Alternative Scheduling Programs Exist at Area Law Firms.

Local firms currently employ various alternative schedules to meet the needs of their attorneys. The most common schedule is a reduced-hour schedule. Another common alternative is the contract attorney arrangement. Telecommuting is growing in popularity. While it is not considered to be an alternative schedule, it aids in retaining employees through reduced work stress.

Lingering misconceptions regarding what it means to work anything but full-time significantly hinder implementation of rewarding programs and reinforce stereotypes. For instance, many attorneys believe that a person working part-time cannot adequately serve client demands. Deloitte & Touche found that their part-time associates *better served* client needs because the associates were not turning over as quickly as their full-time counterparts. The accounting firm found that their clients were developing meaningful and long-term relationships with their part-time associates. Nannes recently noted at the D.C. Bar Winter Convention that the unavailability of attorneys working in an alternative schedule is a "red herring." He explains that full-time attorneys have many clients and are rarely available twenty-four hours for any one client. Thus, the fact that an attorney works in an alternative schedule does not necessarily make the attorney less available than an associate with a full-time schedule.

Technological advancements have made it easier for attorneys to work in alternative schedules. It is no longer safe to assume that because the reduced-hour attorney is not in the office after five o'clock, the attorney is not working. I found that many attorneys make their reduced-hour schedule work by telecommuting. Reduced-hour attorneys often put in additional hours at home each

night after the kids fall asleep. They also check their email and voicemail on their days off to enable them to respond to "true" client emergencies.

Contract attorneys continue to be viewed as attorneys of lower quality. I found, however, that many recent graduates from top law schools have opted out of full-time firm jobs for contract work. In many cases, contract attorneys' hourly rates are higher than their full-time counterparts. They set their own schedule and choose their own work. The perception of contract attorneys is going to improve as contracting becomes more common.

Evidence suggests that contract attorneys, if used effectively, can cut client costs significantly and reduce firm overhead. Contract attorneys can be particularly useful in a litigation practice where large document productions and research needs can be unpredictable. The contract attorney, instead of the firm, bears the risk of a fluctuating workload.

In today's highly competitive legal recruiting market, law firms cannot afford to ignore the significant advantages offered by alternative work arrangements. Soon, recruits will expect benefits packages to include alternative schedules just as they now expect them to include health insurance. Attorneys will demand flexibility, and walk across the street to a firm that is flexible if their demands aren't met. The time for firms to design effective alternative work programs is now.