

Excerpt from:

**BALANCED HOURS:
EFFECTIVE PART-TIME POLICIES
FOR WASHINGTON LAW FIRMS**

THE PROJECT FOR ATTORNEY RETENTION

FINAL REPORT
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Joan Williams
Cynthia Thomas Calvert

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Executive Summary

Most law firms already have part-time policies. They also have high attrition, few women partners, lower profits, and clients who are increasingly dissatisfied with high turnover. Law firms have yet to learn what corporate America already knows: restructuring part-time work to make it professionally rewarding will cure these ills.

The issue confronting law firms is how to make their part-time programs effective retention tools. In this final report, the Project for Attorney Retention (“PAR”) concludes that most existing part-time programs do little to stem attrition because they do not offer usable and effective programs. This conclusion is similar to that of a report published last year by The Women’s Bar Association of Massachusetts, which found that lawyers who use part-time programs often feel stigmatized, and that many full-time attorneys leave their firms rather than going part-time because of the perception that part-time programs are not effective.ⁱ PAR’s key findings about the failure of existing part-time programs were published in its Interim Report, which is attached as an appendix to this Report.

What many lawyers want is not “part-time,” with its implication of partial commitment. As the ABA Commission on Women in the Profession pointed out long ago in *Lawyers and balanced Lives: A Guide to Drafting and Implementing Workplace Policies for Lawyers*,ⁱⁱ they are committed professional who want "balanced lives" combined with suitable career development.

This report shows how balanced hours policies can work well at Washington law firms to increase retention, morale, client satisfaction, and profitability.

- A significant proportion of male and female attorneys, non-parents and parents alike, cite long work hours as a major reason for leaving law firms and state they would like to exchange salary for fewer hours.
- Law firms typically focus on revenue generation rather than bottom-line profitability. For this reason, they may overlook the fact that they are losing millions of dollars to high attrition. Replacing each attorney who leaves costs between \$200,000 and \$500,000 – and this does not include the hidden costs of client dissatisfaction due to turnover, lost business of clients who leave with departing attorneys, and damage to the firm’s reputation and morale.
- Clients are beginning to look at firm attrition, and quality-of-life issues that affect attrition, when deciding which firm to hire.
- Law firms, accounting firms, and major corporations that have implemented effective balanced hours programs have benefited from increased productivity, retention, staff and client loyalty, and bottom-line profits. In addition, they have found significant improvement in their recruiting efforts, attracting highly qualified applicants who are in search of balanced lives.

A key finding of PAR is that a communication gap exists between managing partners, who often feel they have addressed the demand for part-time, and lawyers who feel that existing policies are neither usable nor effective. To help close this gap, the **PAR usability test** gives firms a quick read on whether or not their existing policy is usable and effective.

PAR also has developed recommendations for effective balanced hours policies that are based on best practices currently in use in law and accounting firms. The key recommendations are:

- *The Principle of Proportionality:* Attorneys on balanced hours schedules should receive proportional salaries, bonuses, benefits, and advancement. This means the budgeted hours for a balanced hours attorney should include billable and non-billable time; their assignments should include interesting and high-profile work comparable to that of standard hours attorneys; and they should be promoted to partnership based on the same criteria as other attorneys.
- *Flexible and Fair Policies:* The potential retention benefits will not be attained when reduced hours are available only for a few superstars. While each attorney seeking balanced hours must present a viable business plan, balanced hours should be available to any attorney who does so and should be tailored to meet the attorney's individual needs. Balanced schedules should not be limited only to women, or to parents, or to primary caregivers.
- *Effective Implementation:* Implementation is the key to success. Critical aspects of implementation include: clear and consistent support from the top; an effective implementation plan that includes training and a part-time coordinator who monitors benchmarks to assess whether the program is fair and effective; and planning processes for attorneys and the firm to create balanced schedules that meet the needs of both.

Finally, this report addresses common objections to effective balanced hours policies, many of which are based on misunderstandings about what they are or how they can work within law firms. Two of the most important are:

- *"We can't afford to let people go part-time."* A common myth is that overhead expenses are so high that having attorneys working balanced hours will drain a firm's profits. Once firms look at the bottom line rather than at revenue alone, the bottom-line benefits of usable and effective balanced hours programs emerge in sharp relief.
- *"Some practice areas aren't amenable to part-time."* PAR found lawyers successfully working balanced schedules in litigation, mergers and acquisitions, and other practice areas commonly considered "not suited to part-time." In some practice areas, balance needs to be defined as taking fewer cases over the course of a year rather than working a set number of days or hours a week. That said, the key issue

determining the success of balanced hours is whether one's colleagues and supervisor are supportive of the agreed-to schedule.

It is possible to turn this situation around. Indeed, the major accounting firms have done so over a fairly short time period, and some law firms are already headed down the same path. This report is an invitation to other firms to join them. Those firms that offer quality balanced hours policies will rapidly become the employers of choice for top-notch lawyers.

Note: The complete report, with recommendations for best practices and a model policy, is available free at www.pardc.org.

ⁱ Women's Bar Association of Massachusetts, *More Than Part Time: The Effect of Reduced-Hours Arrangements on the Retention, Recruitment, and Success of Women Attorneys in Law Firms* (2000) available at <http://womenlaw.stanford.edu/mass.rpt.html>.

ⁱⁱ ABA Commission on Women in the Profession, "Lawyers and Balanced Lives: A Guide to Drafting and Implementing Workplace Policies for Lawyers" (1990); Deborah L. Rhode, for the ABA Commission on Women and the Profession, "Lawyers and Balanced Lives" (2001).