The Opt-In Project Report: Making the Case for Balance

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OPT-IN PROJECT

Timeline for 2006 - 2007

Event	Location	Industry	Focus
Women at the Top: Defining the Issues and Preview of The Opt-In Project	San Francisco, CA	All Industries	Kick Off Event to Define the Scope of the Year
"How Do You Do It? A Discussion on Women's Initiatives in the Professional Services"	San Francisco, CA	Financial and Professional Services	Flexible Work Structures and Career Customization
Opt-In Podcast Launch		All Industries	Expanding the Conversation
"Work Life Balance – 'Not Just for Women'"	Silicon Valley, CA	High Tech	Restructuring the Workplace to Benefit Men and Women
"Women in Charge: Making a Difference"	Washington, DC	Public and Private Sector	Building the Case for Women in Leadership
"Asking For Directions: Finding Workable Career Paths"	New York, NY	Professional and Financial Services	Career Planning that leads to Career Sustainability
"The Opt-In Project Report: Making the Business Case for Balance"	San Francisco, CA	All Industries	Reporting Our Findings

OBSERVATION 1: HIGH ATTRITION IN THE FIRST FIVE YEARS CAN BE A DRAIN ON THE ECONOMICS AND MORALE OF THE FIRM

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- **Source: Law Practice Today Edward Poll August 2006**

- One Way to Estimate the Cost Associate Attrition
  - - Lost Salary ($160,000)
  - - Lost Investment in Recruiting ($65,000)
    - 25,000 in partner recruiting time (50 hours at a billable rate of $500/hour), $40,000 in search consultant charges (25 percent of annual salary)
  - - Lost Investment in Training ($70,000)
    - (100 hours of associate time at $200/hour, plus an equal amount of time for the $500/ hour partners who gave the training)
  - TOTAL: $295,000 per Associate
  - - Plus Client Concerns, lost firm productivity, new recruiting and training fees ($90,000+)
  - Industry Estimate Total: $400,000 per associate

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Reconfiguring The First Two Years

Should law firms consider:

- Having no billable hour requirement and lower salaries for the first two years of an associate's career the firm
- Hiring fewer first-year associates, billing them out at a significantly reduced rate, and paying them less.
- Allowing associates to choose between various salary levels or bonus opportunities
- Having law firms pay back law school loans in exchange for a commitment of time at the firm
- Allowing associates to intern outside of the law firm or be seconded to clients

OBSERVATION 2: THE WAY LAW FIRMS TRACK HOURS AND BILL FOR SERVICES MAY CAUSE UNWANTED ATTRITION

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- ***Billable Hours As Internal Measurements***

  Should law firms consider:

- Measuring the performance and compensation on productivity, quality of work, client skills and participation in firm activities without regard to billable hours
- Having salary and bonus structures that reward productivity and high performance, not number of hours worked.
- Capping the number of hours an attorney can get “credit” for in any one day.

- ***Billable Hours As External Measurements***

  Should law firms consider:

- Creating viable alternative billing arrangements
- Actively marketing and encouraging different billing structures

OBSERVATION 3: THE UP OR OUT SYSTEM MAY CAUSE GOOD ATTORNEYS TO LEAVE

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- ***Redefining Promotional Opportunities***

  Should law firms consider:

  - Tracking attorneys by performance and skill development, not year out of law school
  - Developing a tiered approach to partnership, allowing attorneys to progress through the ranks at different rates
  - Having more levels that define success so that partnership is not the only “goal”

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Focusing on Career Management

Should law firms consider:

- Evaluating attorneys in the context of their careers by building skill set models that must be achieved and mastered within a set period of time.
- Focusing on long term career relationships between the attorneys and the firm, that accounts for periods when the attorneys may ramp up or down in aspects of their jobs.
- Requiring consultations between associates and partners as to how required skills will be developed and when they will be developed.
- Mandating the creation of a “Five-Year Plan” for all associates that sets expectations on levels of commitment.

Creating On-Ramps

Should law firms consider:

- Keeping bar memberships active for alumni attorneys.
- Inviting alumni to in house training programs in their practice groups.
- Inviting alumni and attorneys on leave to participate in pro bono or specific project opportunities.

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The Work Day

Should law firms consider:

- Creating no-fault flexible time with flexible work schedules, with regular mandatory in-person meetings of teams to ensure cohesion and focus.
- Providing employees with telephones that roll over to home phones or cell phones.
- Providing employees with blackberries, fax machines, lap tops, and other conveniences.
- Scheduling emails to be delivered during office hours so not to disrupt time outside of work unless it is a true emergency.

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- ***The Work Year***

  Should law firms consider:

- Allowing attorneys, managers and colleagues to design a schedule for the year.
- Allowing “no fault” time off for up to a year, without pay, to allow a “breather”.
- Providing paid sabbaticals for associates and partners.
- Measuring and evaluating performance for purposes of promotional opportunities based on contributions to the firm and skills development over a period of years, not just one.

- ***The Workspace***

  Should law firms consider:

- Using “hoteling” for employees who regularly work outside of the office.
- Using videocasts or webcasts to replace “face time”.

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- ***Team Structures for Clients and Matters***

  Should law firms consider:

- Creating teams with the dual goal of addressing both client and attorneys' needs.
- Creating teams with a balanced composition of attorneys with different work arrangements.
- Monitoring assignments within established teams to ensure that opportunities and workloads are being shared equally.

- ***On-site conveniences for employees***

  Should law firms consider:

- Providing on-site child care
- Bringing certain services to the workplace
- Hiring a "concierge" to assist employees with errands

OBSERVATION 5: PART-TIME SHOULD BE A VIABLE NON-STIGMATIZED OPTION FOR MEN AND WOMEN

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➢ *Career Development*

Should law firms consider:

- Appointing a partner to be in charge of all part-time arrangements.
- Including attorneys who are part-time on firm committees.
- Tracking work assignments for all attorneys including those who are part -time to ensure quality work for all attorneys.
- Tracking client pitch opportunities to ensure client development opportunities.
- Requiring attendance in training and skills development.
- Making part-time requests “no fault” for at least a year.
- Measuring partnership readiness by skills developed, not by years worked or full-time status.

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- ***Pay for Part-Time Employees***

Should law firms consider:

- Making compensation directly proportional to billable time worked.
- Offering bonuses directly proportional to the time worked.

- ***Mainstreaming Part Time Status***

Should law firms consider:

- Making sure men (as well as women) are apprised of part-time policies.
- Providing and promoting male role models who have taken advantage of such policies.
- Advising both men and women of part-time schedule opportunities when a child is born
- Ensuring partnership opportunities are not adversely affected by part-time status

OBSERVATION 6: THERE IS A NEED TO CREATE BUY IN AT THE TOP AND ACCOUNTABILITY THROUGHOUT THE ORGANIZATION

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➢ *The Business Case*

Should law firms consider:

- Tracking and quantifying the financial impact of unwanted attrition.
- Calculating the financial impact of higher retention of associates and partners.
- Tracking the number of clients expressing an interest in diversity and a willingness to reward law firms that attract and retain diverse talent at all levels.

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OBSERVATION 6: THERE IS A NEED TO CREATE BUY IN AT THE TOP AND ACCOUNTABILITY THROUGHOUT THE ORGANIZATION

- ***Visible commitment to a balanced work environment***

  Should law firms consider:

- Encouraging managers to talk openly about family obligations and activities.
- Putting work life balance as a priority in statements about culture.
- Normalizing alternative work styles by encouraging visible leaders in the firm to use them.
- Tracking retention and promotion of women by practice group.
- Formalizing succession planning for leadership positions and client relationships.
- Creating emerging leader programs that reflect gender diversity goals.
- Actively recruiting female lateral partners.
- Measuring performance of firm managers and leaders based on achievement of diversitiy goals.

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Steps Forward

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