Talent Advisory Board Research Update – June 4, 2012 Legal Industry Diversity Reports

The Business Case for Reduced Hours

Project for Attorney Retention, 2012

http://www.attorneyretention.org/Publications/BusinessCase.shtml

The Project for Attorney Retention (PAR) estimates that on average \$200,000 is lost when an attorney leaves a firm. This metric is based on a Deloitte and Touche internal study which found that the firm lost about 150% of a departed employee's annual salary due to lost recruiting and training costs. Recent statistics developed by Professor Joan Williams indicate that most women become mothers, and only 7% of mothers aged 24-45 work over 49 hours per week. Referring to full-time positions including billable and non-billable hours, Williams says, "...law firms generally require associates to work in excess of 49 hours per week." While nearly half of married attorneys have stay-at-home wives, the increase of dual income couples and same sex couples makes it more difficult for both men and women to meet both work and family demands, so they often leave law firms for more balance.

Value Comes From Better Work-Life Balance

ACC Docket, Laura Stein, July/August 2011

http://www.attorneyretention.org/Publications/F Stein.pdf

In this article, Laura Stein, SVP and General Counsel of The Clorox Company, refers to the PAR business case for work-life balance as an effective strategy for reduced turnover. She refers to the Association of Corporate Counsel (ACC) Value Challenge which found that corporate clients often pay increased costs due to law firm employee turnover and the leveraged business model of law firms. She suggests that the traditional law firm focus on "hours worked" needs to shift to a focus on "valued created." She says, "The core business goal is not to work as long and hard as possible. It's to create value. Value for any organization is not based on the amount of labor, but on the efficient accomplishment of business objectives." Steins says that corporate counsel and law firms are actively exploring "...value-based fee structures, alternative staffing, process and project management, and greater deployment of outsourced and automated processes..." to increase efficiency levels.