



ATTORNEY SEARCH

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“LIFESTYLE” FIRMS AND THE LEGAL MARKET

For those lawyers who have practiced through both the heady hiring frenzy of the late 1990's, and the resulting (and inevitable?) chill on hiring in the early 2000's, lifestyle firms seem to have gone the way of the Dodo bird. Although it is almost certainly true that law firm culture has changed, first in favor of associate life, then to its detriment, lawyers in law firms must learn to better articulate the dynamics of law firm life.

FIRST, A BRIEF HISTORY.

Beginning in the mid-1990's, the market for associates became increasingly more competitive, and as more and more associations moved in-house, firms found they had to work harder to attract the caliber of associate that their partners and clients demanded. This battle for the law school and lateral talent occurred in several theaters: salary, partnership track, and what was quickly coined 'lifestyle.' In essence, calling oneself a lifestyle firm was a shorthand message that the firm in question had fewer hours, and less screaming. A kinder, gentler firm was born.

For several years, it was acceptable, and sometimes encouraged, for associates to ask potential employers to discuss the lifestyle at their firm. Many firms undertook lifestyle initiatives that included casual Fridays, summers, or sometimes business casual year round. One firm even gave senior associates three months of vacation in their fifth year. Many firms boasted that there was no 'face time' requirement, and their associates would be asked only to work the occasional weekend or overnight. Most importantly, associates who asked about a firm's 'quality of life' were not looked down upon. Reflecting the cultural shift towards an associate-centric law firm culture, the dialogue among associates, partners, recruiters and career services was changed.

When the recession took hold, not surprisingly, it ushered in a new era where law firm partners, and not associates, made the rules. The most obvious effects of the paradigm shift were frozen associate salaries, lengthening partnership tracks, and in some firms, fairly substantial lay-offs. Unfortunately,

many young associates (especially corporate lawyers) who had interviewed for their jobs when it was acceptable to tell a firm they were looking for a lifestyle firm were laid off by the very firm who had sold themselves as such. Firms slowly removed their privileges and associate salaries were frozen. Some firms even decreased salaries for junior associates, and bonuses were paltry or non-existent. From a recruiter's standpoint, the days of associates looking for a more 'congenial' atmosphere were replaced with ones where they were begged to find opportunities where they would have as much work as they could handle.

Thus, the vernacular changed. Associates interviewing for lateral positions no longer asked about minimum billable hours, or quality of life (or they were promptly shown the door). Lateral attorneys yearned for a position with increased stability and a busier department, where the work flowed and partners could be relied on to pass substantial work to associates. And, in the sense of competition, associates had to promote themselves as lawyers who would bill a lot of hours, make themselves available over evenings and weekends, and long to prove themselves with respect to any and all partnership benchmarks.

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In both circumstances, the way in which lawyers discussed the law firm market was partisan. Both the associate-centric 'quality of life' dialogue, and the recessionary 'buyer's market' were marked by vocabulary that highlighted the tension among associates and partners, instead of reducing it.

Although it is too early to tell, one can only hope that as the economy rebounds, there will be a middle ground where associates are neither catered to, nor in fear for their jobs. Firms must strike a balance. On the one hand, they must remain being busy enough to keep associates with plenty to do to make billing requirements and develop. However, they must also resist resenting associates who strive to achieve some kind of work/life balance. Regardless of how the playing field is defined, it is imperative that lawyers redefine their environments in a way that is less divisive. Because the dialogue about law firm life has polarized associates and partners, hiring partners and interviewing candidates, both parties must re-evaluate the vocabulary they use to define the law firm market.

LIFESTYLE V. SWEAT-SHOP.

These terms define two ends within which conventional wisdom tries to define all major law firms. The truth is, however, that neither of these definitions fairly and completely defines any law firm environment. As such, neither is helpful in an ongoing dialogue about law firm cultures.

What's wrong with the term lifestyle? The use of the term lifestyle is generally shorthand for a place that values each employee's life outside the firm, and institutionally has less of an emphasis on the gross accumulation of billable hours. Although it is certainly never wrong to provide a workplace where the individual is highly valued, there are two principles that no one involved in law firms should forget:

1. Law firms are capitalist businesses and exist, in large part, to make money. As such, partners must pay attention to the firm's profitability and long-term viability. Therefore, a law firm that does not pay attention to the amount of billable time for each associate is ignoring the very *raison d'être* of the organization's existence. An associate who does not appreciate that his or her value to the firm is at least partially defined by the amount of time that he or she bills to clients does not understand the business model within which an associate should function.

2. Law firms are in the customer service business. Although this is an admittedly strange way of defining a firm, it is certainly true. Law firms have clients who (typically) are paying extraordinary amounts of money to receive advice, representation, and most importantly, attention. When a client pays hundreds and hundreds of dollars virtually every time he or she picks up the phone to call on their lawyer, they expect a level of enthusiasm and responsiveness that transcends the time of day or other obligations that lawyer has. Thus, especially in large firm environments, it is not always consistent with the goal of customer (i.e., client) service to encourage an environment where lawyers routinely leave the office at 6 p.m. each day.

This is not to say that valuing lifestyle is a problem. From both the employer and employee perspective, it's a fine value to make a part of the working community. However, using the word 'lifestyle' is dangerous shorthand, and should be avoided because the perception is that it reflects a naiveté that the company for which an individual wants to work has a business purpose.

On the other side of the coin, the word 'sweat-shop' is often associated with firms, usually large national or international firms. Along with simply being overly perjorative, the term 'sweat-shop' is a lazy way of categorizing any firm where people work hard. Laziness, then, is the largest problem with the use of the word. The truth is that the range of experiences two different individuals have at the same firm can vary dramatically. One lawyer's sweat-shop, down the hall, is a pleasure for another lawyer on a daily basis. While many different dynamics can account for these differences, the truth is that categorizing one firm as a sweat-shop (and discounting the firm for the same reason) prevents a lawyer from discovering a myriad of viable opportunities.

In fact, some of New York's most prestigious and monolithic firms have the most generous flex-time and non-partnership track opportunities. The assumption that there are no lifestyle accommodations at such places is rampant, but at the end of the day, it's a false one. Certainly, such firms do not advertise this fact, in large part because it is important that for the sake of their clients they are not perceived as an organization where lifestyle trumps customer service.

SMALL FIRMS V. LARGE FIRMS.

Another verbal shortcut made in the discussion of law firm culture and environment is whether a firm is a large firm or a small firm. Saying "I like this organization because it's large," (or small), really doesn't account for anything at all, except the number of employees. Is the perception that a small firm is better because there are fewer hours? Because there is more responsibility, or because there is a more open track to partnership? Any one of these may be a reason to leave or join a firm, however, these are not qualities that should necessarily be attributed to a small firm. Frequently, lawyers have moved to a smaller firm only to find that the smaller firm did not embody any of the qualities of a firm that might be commonly associated with 'small firm life.'

Likewise, calling a firm a typical 'large firm' is merely a generalization. This generalization often carries with it certain associations, which may include a lack of responsibility, a lack of mentoring for associates, or the perception of lawyers as 'fungible billing units.' While stereotypes are not without some foundation in reality, these stereotypes do law firms and lawyers a disservice.

CONCLUSIONS.

Lifestyle, sweatshop, quality of life, and all other general terms bandied about should be abandoned as we usher in a new period of law firm hiring. Instead of relying on generalization or conventional perceptions, lawyers should reevaluate the way in which they define their relationships with a potential or current employer law firm. The first step in such a redefinition is to better understand the functions of lawyers within their environments, and the law firms with their clients.