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Law firms offering a gentler associate track

Boston Business Journal - by Lisa van der Pool Journal staff

With associate attrition rates on the upswing and young lawyers unwilling to sacrifice personal time, law firms are being forced to rethink the classic high-workload, partner-track model for associates or watch as valuable talent slips away.

Firms have found that the lure of a hefty paycheck in exchange for a rigorous schedule has lost some of its shine for associates, who have different views on what success represents and increasingly leave firms after a handful of years. The new paradigm presents a dilemma for law firms, which have for years relied on the assumption that money -- and the potential of making partner -- buys loyalty.



W. Marc Bernsau

Carmine Tomas, an associate with

Goulston & Storrs, returned to the firm when a flexible schedule was offered.

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Local and national law firms have begun to tweak that model, looking for creative alternatives to retain associates who are expensive to hire, but even more expensive to replace.

In 2006, the associate attrition rate in the U.S. was 19 percent, the same percentage as the previous year, which was the highest rate documented by any prior study of attrition, according to the **National Association for Law Placement Foundation** in Overland Park, Kan. Broken down, larger firms experience even higher rates of attrition with firms larger than 500 reporting a range of 13 percent to 27 percent attrition, according to NALP.

Associates' salaries at large firms range from \$160,000 to \$285,000 with the possibility of bonuses of \$25,000 to \$50,000. Meanwhile some law firms peg the cost of replacing an associate at around \$300.000.

"Obviously law firms are quite concerned that associates are bailing out left and right," said Paul Clifford, a principal at **Law Practice Consultants LLC** in Boston. "Firms are starting to wake up to this and are starting to get more creative."

Nationally, McDermott Will & Emery is in the process of hiring a new class of about 15 staff associates who will charge less per hour for lower-end work, make less money and not be on the partnership track, according to a story on **Law.com**. The lawyers hired will be those who are not interested in working 80-hour weeks. The move is designed to benefit clients, who will pay less for their services. A representative from McDermott Will & Emery said the firm did not wish to comment for this story.

Carmine Tomas is part of the new breed of associates forcing firms to change.

After graduation from law school seven years ago, Tomas accepted a job at Goulston & Storrs PC in Boston. To avoid high real estate prices, Tomas and his wife purchased their first home in Derry, N.H. Tomas did the commute -- a bus trip that sometimes took three hours -- for six years. When he and his wife built a new home in Concord, N.H., Tomas, who by then had three children, decided to leave Goulston & Storrs to escape the 70-mile trip. "I said, 'I'm going to do the country gentleman lawyer thing,' " said Tomas.

But after 11 months at a 17-lawyer firm, Tomas, 35, realized the economics didn't work and started talking to Goulston & Storrs again.

Since June, Tomas, a commercial real estate attorney, has been back at the firm, working three to four days a week in Boston and the rest of the time in his home office. He's not currently on the partner track. But he takes his six-year-old son Lucas to piano lessons every Friday morning.

"The most important thing for me was being sure that I could have the flexibility to make time for my family and at the same time have a meaningful experience at Goulston & Storrs," said Tomas. Doug Husid, co-managing partner at Goulston & Storrs, said that by avoiding a one-size fits all model, his firm was able to bring talent -- namely Tomas -- back into the fold.

"There's a very clear reality that associates coming to law firms today are much more concerned with flexibility and work/life balance issues," said Husid. "I don't know that it's so much a problem as it is a new reality. In that sense the model has to be -- if not changed -- considerably more flexible that it has been historically."

Recently Goulston & Storrs, a 180-lawyer firm that hired eight new associates this year, designated four partners as flexible work mentors who will work with associates who are interested in pursuing anything other than the traditional, full-time, partner track. First-year associates at Goulston & Storrs make the standard \$160,000.

"We look at our associates as an investment in our future. Every time an associate leaves, we lose on that investment," said John Snellings, a partner and chairman of the professional personnel committee at Boston-based **Nixon Peabody LLP**.

Like McDermott, Nixon Peabody, which has 650 lawyers among its 15 offices, hired its first ever staff attorney earlier this year, a woman who specializes in corporate law and will charge a lower rate than first- or second-year associates. She is also not on the partnership track. Nixon Peabody plans to hire more staff attorneys moving forward.

"This is forcing the profession to think about how we manage our assets," said Snellings, who noted the move is a win for both the clients, who will pay less, and for the staff lawyer, who wanted a flexible schedule.

With the goal of adapting to this new breed of associate, Ropes & Gray LLP, a 775-attorney firm based in Boston, last month created a new committee on law firm career paths. The 12-partner committee will explore options for alternatives to the traditional ladder career path at Ropes &

Gray, which last fall hired 132 new associates. Creating a plan for associates who want to practice law but might not care about being partner is being considered by the firm.

"You're dealing with an incredibly talented workforce, but people with different priorities. So you're combining a demanding career with people who have other options and other priorities," said Julie Jones, a partner at Ropes & Gray. "We pay handsomely for our associates, but it's time for Ropes, like McDermott, to think creatively about solutions to these dilemmas. It's not all about being partner anymore."

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