

# FUTURE LAW OFFICE: The Evolving Legal Profession and Emerging Workforce of Tomorrow

Innovative
Client Practices 5

Building Tomorrow's Legal Workforce

Identifying and Retaining Future Leaders

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#### **Table of Contents**

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- 3 Key Findings
- 4 Background
- 5 Part I: Innovative Client Practices
- **5** Creative Fee Arrangements
- 6 Expanding the Definition of Client Service
- 7 Increasing Collaboration Among Law Firms
- 8 Corporate Legal Departments Facing
  Their Own Challenges
- 9 Part II: Building Tomorrow's Legal Workforce
- 9 Targeted Expertise on Demand
- 10 Specialized Talent Proves Elusive
- 10 Growing Use of Flexible Staffing Models

- 11 Increased Responsibilities for Legal Support Professionals
- 11 Becoming e-Discovery Ready
- 11 Identifying and Retaining Future Leaders
- 12 The 'Millennial Effect'
- 13 The Importance of Inclusion in the Legal Workplace
- 15 The Impact of an Increasingly Mobile Workforce
- 16 Conclusion
- 16 About Future Law Office
- 16 About Robert Half Legal
- 17 Appendix A: Experts Interviewed
- 18 Appendix B: Endnotes

#### **Executive Summary**

Future Law Office: The Evolving Legal Profession and Emerging Workforce of Tomorrow examines efforts by law firms and corporate legal departments to navigate and manage the new realities of today's business environment. It explores how current trends – from mobility to changing demographics to globalization – are influencing the legal field and reshaping its workplace. Specifically, the report investigates the potential implications of two key trends:

- New client service models. Law firms are becoming laser-focused on providing innovative solutions, not only to meet the needs of cost-conscious corporate clients, but also to gain an advantage in a highly competitive business environment.
- A changing workforce. To work more efficiently, and to more effectively partner with each other, it is increasingly important for law firms and corporate legal departments to build teams that are highly skilled, diverse, specialized and mobile.

This report is the latest in the Future Law Office series, an annual research project established by Robert Half Legal in 2000. It includes the insights of Robert Half Legal staffing professionals throughout our branch network in North American and global markets, as well as the expert knowledge of other well-respected professionals in the legal field. The report also references research and key

findings from our ongoing surveys of lawyers from leading law firms and corporations in the United States and Canada.

#### **Key Findings**

- Clients, especially corporate legal departments, are budgeting conservatively and looking to outside counsel to provide flexible alternative fee arrangements, transparency about cost and "value-added" services.
- Facing stiffer competition for commercial business, law firms are focusing on improving client relationships and increasing efficiencies, including how they staff projects.
- Globalization is driving the need for legal counsel who understand the potential impact of local laws, cultural factors and events on their clients' business operations in other countries.
- Law firms are adapting corporate hiring and staff development practices that focus on candidates' and employees' long-term leadership potential.
- Business acumen, a collaborative mindset, expertise
  in high-demand specialties and the ability to leverage
  technology to better serve clients are just a few of the
  skills legal professionals will need to succeed in the
  future law office.

- Collaboration and idea sharing are increasing within legal teams due to the growing use of mobile and social media tools – and the influence of Generation Y employees.
- The responsibilities of junior associates, paralegals and legal support professionals are expanding as they are assigned tasks that lawyers may have handled in the past, but must now delegate for the sake of efficiency.
- Law firms and corporate legal departments are
  placing more emphasis on "inclusion" in the workplace

   ensuring all employees are valued, treated fairly and
   respectfully, and offered meaningful work, as well as
   professional development opportunities.

#### **Background**

In our 2011 Future Law Office report, *Best Practices for a New Era in the Legal Profession*, Robert Half Legal examined how law firms and corporate legal departments were responding to economic pressures and changes in client expectations. The push for greater efficiency and a closer eye on budgets, which was already underway, received a heightened sense of urgency during the Great Recession. The economic downturn prompted legal organizations to improve the quality and delivery of services while instituting leaner, more efficient operating models.

The resulting changes in management and service approaches have been characterized collectively as no less than a transformation of the legal profession. Agreeing with this assessment is Michael Roster, steering committee co-chair of the Association of Corporate Counsel (ACC) Value Challenge, adjunct faculty at the University of Southern California (USC) Gould School of Law, former managing partner of Morrison & Foerster LLP in Los Angeles, and former general counsel of Stanford University and Golden West Financial. He observes, "The Great Recession was one of the most massive jolts the legal field and other industries will ever face."

Charles A. Volkert, Esq., executive director of Robert Half Legal and executive managing director of Robert Half Legal eDiscovery Services, agrees, noting that "the downturn reshaped law firm business models, causing even large firms to move away from rigid models of the past and offer cost-conscious clients more options."

Despite significant progress made by law firms and corporate legal departments in recent years, with respect to delivering cost-effective legal services, these issues remain top of mind with general counsel and managing partners. This year's Future Law Office report, *The Evolving Legal Profession and Emerging Workforce of Tomorrow*, discusses what forward-thinking legal organizations are doing to address these concerns and how these ideas are shaping the law office of tomorrow.



"The downturn reshaped law firm business models, causing even large firms to move away from rigid models of the past and offer cost-conscious clients more options."

Charles A. Volkert, Esq., executive director,
 Robert Half Legal and executive managing
 director, Robert Half Legal eDiscovery Services

# Part I: Innovative Client Practices

For decades, law firms were in a "golden age," notes Michael Roster of USC's Gould School of Law. "It was hard *not* to succeed," he says.<sup>3</sup> But things are different now, in that success is not something law firms take for granted. To earn new business and keep existing clients satisfied, law firms need to clearly demonstrate the value they provide to their clients and offer more flexible rates and innovative services.

As corporate legal departments react to the same pressures to control costs that all areas of their companies face, small and midsize law firms that can offer clients lower bill rates are in a unique position to capture new business that traditionally might have been assigned to larger law firms. In this environment, it's critical for competing firms to streamline and enhance their service offerings and approaches while still offering exemplary legal counsel.

With price pressures prevailing, flexibility is essential and will remain a priority in the years ahead. The following are some of the ways law firms are adjusting their operating models to improve client service.

#### Creative Fee Arrangements

Scott A. Carlson, a partner at Seyfarth Shaw LLP's Chicago office and the chair of the firm's e-discovery and information governance practice, explains, "The economic

downturn motivated lawyers and law firms to come up with more thoughtful fee arrangements. Our firm is culturally more open now to entertaining different arrangements than traditional ones. We are not merely looking at fixed fees, but finding creative partnerships. In the past, there would have been more 'angst' in the firm. Fundamentally, we ask our clients what they want and we find a way to make it work for both of us."<sup>4</sup>

Acknowledging that corporate legal departments are working with limited budgets and being asked to justify all legal expenses is often a critical first step to winning new business from these clients. Lise Patry, vice president, legal and corporate secretary of the Canadian Air Transport Security Authority, says, "If a law firm is sensitive to our resource constraints, and also is responsive and accessible, that's the type of firm I'm going to choose to work with."

To provide predictable pricing and work within clients' budgets, firms are negotiating fixed or flat fees for a wide range of matters and services, from complex or simple to short-term or ongoing projects. Sometimes, a mix of hourly billing and set fees is arranged. But being flexible in the billing process does not need to undermine a law firm's profitability, notes Michael R. Rizzo, partner and government contracts department chair for McKenna Long & Aldridge LLP, in Los Angeles. "Law firms that can price work appropriately on a fixed-fee basis, and manage

that work very efficiently, have the opportunity to make a profit while also satisfying their clients' need to keep expenses at a known level," he says.<sup>6</sup>

Finding ways to avoid prolonged litigation also is important in this new landscape. In fact, law firms can earn success fees — essentially, outcome-based performance bonuses — from their clients without even having to enter the courtroom. "Resolving matters early allows our clients to avoid the uncertainty and risk associated with outstanding litigation," explains Audra A. Dial, a partner at the Atlanta office of Kilpatrick Townsend & Stockton LLP and an attorney with the firm's patent litigation and technology litigation team. "I find we're doing a lot more work with early case assessment now, and trying to develop creative fee proposals, like success fees, that are a win-win for our firm and our clients."

Alternative fee arrangements, or success fees, are often more feasible with existing clients than new ones. With the former, the law firm typically has a better understanding of the client's business, its prospects and its risks, as well as an educated perception of the client's willingness to strike a reasonable balance between its interests and those of outside counsel, notes James R. Ukropina, of counsel at O'Melveny & Myers LLP. "In the case of a new client, evaluating these issues can be more of a 'blind alley," he says. 8



"Law firms that can price work appropriately on a fixed-fee basis, and manage that work very efficiently, have the opportunity to make a profit while also satisfying their clients' need to keep expenses at a known level."

 Michael R. Rizzo, partner and government contracts department chair, McKenna Long & Aldridge LLP

#### Expanding the Definition of Client Service

More law firms now recognize that enhancing client service levels means imbuing a sense of "we're in this together," which leads to becoming true partners. Brett C. Bartlett, a partner at Seyfarth Shaw, the chair of the firm's labor and employment department in Atlanta, a member of the department's national steering committee, and a leader of the firm's national wage and hour litigation practice group, describes it this way: "I think there was forced recognition of the fact that law firms have to be partners with their clients, rather than merely making a dollar off their customers' crises."

But legal departments' view of a valued partner is not just a law firm that provides legal advice or recognizes budget concerns, but one that also takes time to understand their business and industry. This includes considering a wide range of internal and external factors that could affect the client's operations and interests. One reason general counsel are seeking this level of service from outside law firms is that they are expected to possess this same specialized knowledge of their employer's industry.

"The legal department is becoming more of a business adviser," explains Jeff Shelby, general counsel of Varolii Corporation. "It is increasing its value to the company by assuming additional responsibility and developing expertise in the regulatory regime and the company's products and services versus just preparing and negotiating contracts." <sup>110</sup>

Enhanced service also may involve a law firm that encourages its clients to constructively criticize its work. This effort can pay off significantly. "Actively seeking [client] feedback has allowed us to identify work that is unnecessary, inappropriately staffed or too expensive compared to the benefit it ultimately creates for our clients," explains Brett Bartlett. The "voice of the client" process has positively affected the firm's overall efficiency, he notes. "We realized that in some cases it made sense for an equity partner to handle a task that might normally be assigned to a junior associate, including writing a brief or conducting a client interview, because the partner could do it faster and in the exact way needed. Meanwhile, we also found instances where equity partners were holding on to work that could be assigned to contract lawyers at a lower rate."11

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- Brett C. Bartlett, partner, Seyfarth Shaw LLP

"Client feedback has become even more important to law firms since the recession," says Cesar L. Alvarez, co-chairman of Greenberg Traurig LLP. "With demand for legal services remaining relatively flat, law firms are focusing more on how to differentiate themselves so they can win new



"Many of our clients are operating outside of our local jurisdictions, so we need to have contacts not just in Canada or the United States, but worldwide – and not just in the legal field."

 Harley L. Winger, founding partner, Burstall Winger LLP business when opportunities do arise. Improving demand for their product is paramount for law firms in this market – and to do that, they need to understand what their customers want. It's 'Marketing 101.'"<sup>12</sup>

While client feedback is essential, obtaining effective and meaningful feedback can almost be an art. O'Melveny & Myers' James Ukropina observes that, among other things, it may involve requesting candid critiques from managing partners or other senior parties at a client's headquarters that firms can then act upon to improve service levels. "The submission of a long-form questionnaire to the wrong party is a virtually worthless endeavor," he adds. 13

#### **Increasing Collaboration Among Law Firms**

As corporations conduct business on a global scale, law firms are finding their clients want their help navigating business and legal issues in multiple jurisdictions and geographies. This includes the ability to recommend additional resources, often at a moment's notice, in locations where the law firm may not even have a presence.

Some law firms are meeting this need not only by opening new offices, but also through mergers and acquisitions that provide them a means to offer legal services in emerging markets and other hot spots, from Asia to Europe to Latin America.<sup>14</sup> Legal and multidisciplinary networks, whether formal or informal, are another way that firms are expanding resources to cover client needs around the world.<sup>15</sup>

"Many of our clients are operating outside of our local jurisdictions, so we need to have contacts not just in Canada or the United States, but worldwide – and not just in the legal field," says Harley L. Winger, founding partner of Burstall Winger LLP in Calgary, Alberta. "Our clients want to know that we can put them in touch with an engineering, accounting or investment banking firm or anyone else who might help them with their business, wherever they happen to be." 16

However, adding this type of value to the law firm-client partnership can be demanding, requiring a large network of global resources. Audra Dial of Kilpatrick Townsend & Stockton says, "We try to help make the world easier to navigate for our clients, but it means being very nimble and available at all times – even at 2 a.m."<sup>17</sup>

#### Greatest Business Challenges Facing Legal Departments in 2013:



Source: Survey of 175 lawyers among the largest corporations in the United States and Canada. The survey was commissioned by Robert Half Legal and conducted by an independent research firm.

#### Corporate Legal Departments Facing Their Own Challenges

Dependency on outside law firms is a key area of scrutiny for legal departments as they evaluate the effectiveness of their own service offerings to internal clients. In an ACC survey, more than 75 percent of corporate legal officers said they now take into account spending on outside counsel when measuring the overall effectiveness of their departments. While the same survey found that 30 percent of corporate legal departments plan to increase their budgets, many are still watching the bottom line. In fact, 26 percent of corporate lawyers polled by Robert Half Legal cited "controlling outside counsel costs" as their legal department's greatest business challenge in 2013. Higher workloads and budget reductions also were among the top concerns. In

Jeff Shelby of Varolii notes, "Most general counsel no longer have the luxury of 'rainy day' funds for legal expenses and have to explain to their chief financial officers why they need every budget dollar." He adds, "If law firms continue to raise their rates and fees, you will see even more careful use of their services by legal departments."<sup>20</sup>

Where it makes sense, legal departments are assigning certain types of matters that were previously given to law firms to in-house associates, paralegals and legal support staff as a strategy to reduce legal services costs.



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– Jeff Shelby, general counsel, Varolii Corporation

## Part II: **Building Tomorrow's Legal Workforce**

Top Practice Areas Expected to Generate the Greatest Number of Job Opportunities in 2013:



Litigation



General business/commercial law



Healthcare



Labor and employment



Bankruptcy/foreclosure

Source: Survey of 350 lawyers among the largest law firms and corporations in the United States and Canada. The survey was commissioned by Robert Half Legal and conducted by an independent research firm.

Keeping costs in check and improving efficiencies alone will not solve the challenges many legal organizations are facing. To enhance service offerings and meet client demands, law firms also need the right mix of talent and effective management practices.

#### Targeted Expertise on Demand

As reflected in a number of other professional fields today, hiring by law firms and corporate legal departments is focused on personnel with specialized skills in highdemand practice areas, such as litigation, commercial law and healthcare, who also possess knowledge of a specific industry or business.

Knowledge of information technology issues also may benefit job seekers in the legal field. ACC research indicates that data privacy, information technology and data security are top concerns for corporate legal departments.<sup>21</sup> Lawyers who have developed a greater understanding of technology applications in the legal sphere are valued because they can more readily envision ways in which those systems can potentially pose legal problems. "An understanding of technology is a key skill legal professionals will need to have," says James A. Merklinger, ACC vice president and general counsel. "Law firms with staff who can grasp the technical as well as the legal side of matters will have an advantage, especially if they also can demonstrate how this makes life easier for the client," he adds.<sup>22</sup>

Specialized assistance also is needed in regulatory matters and government contracts work. "Contracts are being terminated or restructured by the federal government in an effort to reduce spending, and clients need expert legal guidance to help them through these actions," observes Michael Rizzo of McKenna Long & Aldridge.<sup>23</sup> The demand for IT expertise often is tied to regulatory compliance as companies grapple with issues such as data privacy and security.

In addition, clients want the work product of outside counsel to reflect their organizations' current and future business goals. Harley Winger of Burstall Winger notes, "Going forward, I think clients are not just going to want a technical 'legalese' response from law firms; they want you to understand their business and appreciate the economics of their business."24 Charles Volkert of Robert Half Legal adds: "Law firms that want to maintain their competitive edge should showcase how they know a client's business. They'll need to have both legal and business experts on their teams if they expect to be seen as a true partner to their clients."25

Law firms are recognizing the need to adjust their service offerings in response to clients' expectations around specialization. But handling these top-of-mind matters for clients requires targeted skills and knowledge that may or may not be part of a law firm's repertoire. The rewards for acquiring these capabilities are growing, however. Michael

Rizzo notes, "[McKenna Long & Aldridge] is seeing increased opportunity in areas that require specialized expertise." <sup>26</sup>

#### Specialized Talent Proves Elusive

As employers in the legal field become more exacting in the skills and abilities they require, talent can be increasingly difficult to locate. More than half (57 percent) of lawyers polled in a recent Robert Half Legal survey said it is somewhat or very challenging to locate skilled legal professionals today.<sup>27</sup>

The response can be attributed to a supply-and-demand imbalance that has emerged as the job market recovers from the economic downturn. Educated, highly specialized workers are enjoying low unemployment rates, while the national overall unemployment rate remains relatively high.

Complicating this supply-and-demand imbalance is the need for professionals who bring valuable expertise from areas outside the legal profession. Consider the diverse professional backgrounds of Seyfarth Shaw partner Scott Carlson and his e-discovery and intellectual governance team: "I have a B.S. in computer science and mathematics and used to be a software engineer. Three of my attorneys are certified computer forensic examiners, and one is a certified ethical hacker," he says. "It can be a challenge to

find the right candidate for our team. It's often easier to teach the litigation risk and legal issues than the technology side. So we try to recruit good lawyers who are strong technologists – with the technology skills being critical."<sup>28</sup>

While locating legal talent with just the right combination of in-demand skills can be difficult, law firms that can present leaner, more nimble teams with the sharply focused expertise their clients require will be able to produce far better legal outcomes – and for less, notes Michael Roster of USC's Gould School of Law. "I predict that as firms become much more effective at producing a legal product, costs will come down for clients," he says.<sup>29</sup>

#### Growing Use of Flexible Staffing Models

Taking a broader view of available staffing resources may be a solution for legal organizations that are trying to bridge the talent gap in specialty areas. Not every expert required for a particular case or project component needs to be a full-time employee. Accessing experienced interim professionals can expand the pool of specialized skills available to law offices. This approach also is budget-friendly because contingent legal professionals with targeted skills can be engaged on an "as-needed" basis, avoiding many of the costs associated with full-time hires.

Brett Bartlett of Seyfarth Shaw emphasizes the importance of law firms being receptive to alternative staffing models

as a way to work more efficiently – especially on complex and time-consuming projects – and to help clients keep costs down. "I manage class actions, primarily, and always consider a mix of full-time and temporary professionals when preparing budgets and case strategy," he says.<sup>30</sup>

Likewise, permanent hiring does not have to be the only approach for in-house counsel seeking specialized talent — or when staff is simply overloaded. Departments need to consider the use of various types of support, from outside law firms to consultants to interim or project-based attorneys brought in for specific cases or to meet higher-than-normal workload demands. Charles Volkert of Robert Half Legal observes, "A large portion of legal work is project-based, creating workload peaks and valleys. Bringing in interim specialists at periods of high intensity not only can relieve core staff during those times, but also can add expertise that may not be available in-house for a particular matter."<sup>31</sup>

Immediate access to highly skilled legal professionals and the ability to meet the specific talent needs for a case aren't the only benefits of a flexible staffing approach. It also can help protect core staff from burnout and reduce turnover, Volkert explains. "Many lawyers leave firms saying, 'I can't keep working until midnight, five nights a week.' So part of the value this staffing approach can create is the retention of key talent." 32

## Increased Responsibilities for Legal Support Professionals

Research conducted for the *Robert Half Legal 2013 Salary Guide* confirms that employers are seeking paralegals and legal secretaries who can perform a wide range of duties. The number of hybrid or blended positions continues to grow as law firms and legal departments consolidate legal secretary roles and assign paralegals administrative tasks.<sup>33</sup>

"Paralegals are being given more responsibility to handle increasingly substantive work. This helps free up attorneys' time so they can focus on more complex casework," notes Robert S. Hrouda, a registered paralegal (RP®) at the law firm of Hangley Aronchick Segal Pudlin & Schiller and president of the National Federation of Paralegal Associations, Inc. (NFPA).<sup>34</sup>

These higher expectations by employers are being reflected in hiring criteria. According to Hrouda, "The college degree is becoming the new high school diploma," and increasingly a requisite for paralegals. <sup>35</sup> Additionally, employers are seeking professionals with advanced technical proficiency in Microsoft Office and a range of leading legal support software and applications. <sup>36</sup>

#### Becoming e-Discovery Ready

A pivotal area in which legal organizations will continue to need specialized expertise is in litigation and the associated costs related to e-discovery. Achieving strategic management of e-discovery initiatives has been a priority for law firms and corporations for several years.<sup>37</sup> And the continuing proliferation of electronically stored information and the accelerating complexity of IT systems are two key reasons behind the difficulty organizations face in responding to e-discovery requests – which often come without warning.<sup>38</sup> By engaging outside specialists with the expertise needed to manage the necessary people, processes and technology involved with e-discovery initiatives, law firms and legal departments can implement processes that are repeatable and defensible, as well as cost-effective.

"General counsel will continue to look for ways to create greater efficiencies," observes Charles Volkert, who oversees Robert Half Legal's e-discovery services practice. "They will do that in concert with their outside law firms and by partnering with trusted service providers." 39

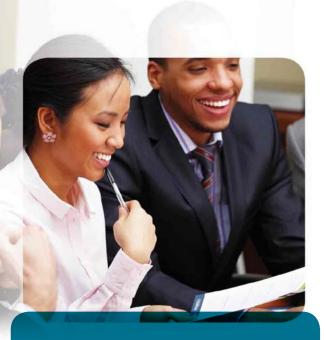
Robert Hrouda, NFPA president, also suggests that organizations are likely to lean heavily on paralegals to help them become more e-discovery ready. "Paralegals often are needed to run programs used in the e-discovery process, such as solutions for technology-assisted review," he says. "When I speak to paralegal students today, I recommend that they take relevant courses in technology because these skills will be essential in their careers."

#### **Identifying and Retaining Future Leaders**

While nearly four in 10 (39 percent) lawyers surveyed by Robert Half Legal said their law firms do not have a succession plan in place for key leadership roles, employers are increasingly keeping an eye toward the future when recruiting legal talent.<sup>41</sup> "I try to think long term and about succession planning when bringing new talent into the firm," says Seyfarth Shaw's Scott Carlson.<sup>42</sup>

Newly hired associates at both law firms and legal departments also are expected to learn quickly and step into leadership roles sooner than what may have been required in the past. "What makes an in-house legal professional stand out today is how well he or she can work with others, inside and outside the department. I look for that quality, as well as skills like judgment and the ability to innovate," says Jeff Levinson, vice president, general counsel and secretary of NetScout Systems, Inc. 43

As more law firm leaders approach retirement or become increasingly selective about the cases to which they contribute, there will be a strong need to accelerate the professional growth of associates. "In the future, firms will invest in leadership development for professionals throughout the organization," predicts Steven D. Wingert, executive director of Marshall, Gerstein & Borun LLP and immediate past president of the Association of Legal Administrators. "They will be helping associates to better



"What makes an in-house legal professional stand out today is how well he or she can work with others, inside and outside the department."

 Jeff Levinson, vice president, general counsel and secretary, NetScout Systems, Inc. understand business practices and relationships and how to work well with other people. This is already happening at the most progressive firms."

Wingert adds, "Legal professionals need to understand the business techniques of efficiency and process improvement and management that the business schools teach – but law schools don't. It's not just about the legal work anymore. Attorneys can't provide great value to clients if they don't understand these things."<sup>44</sup>

Some law firms are finding and retaining experienced legal professionals by mirroring the practices of their clients, specifically those of leading corporations. "The way large global companies go about hiring and managing talent is significantly different from most law firms," says Michael Rizzo of McKenna Long & Aldridge. "Many conduct intense interviews where employees are asked to take written assessments and other tests geared toward determining things like work habits, ethics and drive. In the workforce of tomorrow, you'll see more law firms acting like their clients. When hiring, they'll be looking at whether a candidate has long-term potential, including partnership-level core competencies and skills. The investment in a young associate is significant – and should be maximized."

Jeff Levinson of NetScout notes that employers should maximize their investment in young legal professionals who have the "raw materials" for leadership by providing relevant education, training and growth opportunities. But he cautions that the responsibility for career development is not the sole responsibility of the employer: "Junior employees who aspire to be future leaders in the field need to ask for training – and if their current employer can't offer it, then they need to take the initiative to get it on their own." 46

Recent curricula changes instituted at some law schools may give graduates of these institutions an advantage in the job market and a head start to becoming future managers in the profession. Some are placing more emphasis in the third year of school on practical training, while "others have increased courses in negotiation, counseling and other skills."

#### The 'Millennial Effect'

With the baby boomer generation entering retirement and more members of Generation Y entering the workplace, employers are finding that developing these Millennial workers has become a necessary priority, and it is resulting in a positive shift within workplace policies.

"Technology is really the language and culture of many of the young associates now coming on board," explains Cesar Alvarez of Greenberg Traurig. "Their use of technology is leading to greater collaboration and information sharing in the law firm." <sup>48</sup>

### The Importance of Inclusion in the Legal Workplace

Among the most important factors for a law firm's future success are "diversity" – maintaining a workforce that is diverse in terms of gender, sexual orientation, ethnicity and cultural background – and "inclusion" – ensuring all employees are valued, treated fairly and respectfully, and offered meaningful work and professional development opportunities.

Not only can diversity and inclusion practices help to ensure a firm attracts the best talent, many clients now specifically choose to work with organizations that maintain a diverse, engaged workforce. As an example, more than half of U.S. law firms today receive requests for proposals (RFPs) that include a diversity component. <sup>49</sup> Some clients may seek out firms that have a commitment to diversity in order to meet the expectations of shareholders or customers, while others may simply prefer to work with a firm that mirrors their own diverse workforce, observes Cynthia Thomas Calvert, a consultant, former law firm partner and cofounder of the Project for Attorney Retention (PAR).

"Inclusion is more than a buzzword," emphasizes Calvert. "It's about ensuring everyone is valued for what they bring to the firm and building a culture where biases and stereotypes are eliminated so a wide variety of people feel comfortable and can perform at their maximum best," she explains, adding that the concept of "sponsorship," when a senior-level lawyer champions a junior associate, is an important component of inclusion, especially for associates who aspire to make partner.<sup>50</sup>

"I can't tell you how many times I talk to associates in law firms who have no idea what it takes for them to become partner," observes Joseph K. West, president and chief executive officer of the Minority Corporate Counsel Association. "There are many reasons they lack insight, including generational issues, a failure on the firms' part to create and implement effective succession planning, and a fair amount of 'sharp elbows' when it comes to business generation and client development. All of these elements are opposite the atmosphere of transparency and inclusiveness that you might see in the corporate world."

West notes that while more work needs to be done to help minorities in today's workforce get the support they need to become tomorrow's leaders, he predicts, "We are reaching a tipping point with diversity and inclusion. It's happening – and it's going to be the reality of tomorrow's workforce, and not just for law firms."<sup>51</sup>

#### Top Perks for Recruiting and Retaining Legal Professionals:\*



Flexible work hours or telecommuting



Free or subsidized training or education



On-site perks (childcare, dry cleaning, fitness center, cafeteria)



High/higher compensation (salary, bonuses, stock options)



Free or subsidized snacks or lunch



Matching gifts program for charitable contributions



Good retirement programs (pensions, matching 401(k), etc.)

Source: Survey of 350 lawyers among the largest law firms and corporations in the United States and Canada, The survey was commissioned by Robert Half Legal and conducted by an independent research firm.

Gen Y professionals also are helping to shift the focus in the legal workplace from maintaining better "work/ life balance" to achieving "work/life control," observes Cynthia Thomas Calvert, PAR cofounder. "What Gen Y workers want reflects the way that lawyers of all generations today want to practice - with greater control over their professional and personal lives," she says. "Compared to other generations in the workplace, Millennials are typically more vocal about what they want – flexible hours, more opportunities for development and the ability to work wherever they feel most productive. This is helping to create positive changes for all legal professionals."52

James Ukropina with O'Melveny & Myers notes that when managing Gen Y associates, striking a balance of approaches can be a delicate undertaking. "Many Millennials have a refreshing candor, or 'lean in' attitude, which should often be encouraged," he says. "At the same time, they may need to be counseled to understand and appreciate that being an effective attorney in today's environment involves collaboration - within the firm, with clients and frequently with other law firms."53

Harley Winger of Burstall Winger observes, "As a boutique firm in Calgary, we've seen a change in the mindset of young lawyers. Not everyone wants to stay with a large law firm over the course of their career and eventually become partner. After a few years, some associates are realizing that an entrepreneurial role with a little lifestyle freedom is more appealing."54

Audra Dial of Kilpatrick Townsend & Stockton notes the "Millennial effect" can also be seen in the way that work is now being accomplished. "In the past, associates had to be in the office from 8 a.m. to 7 p.m., Monday through Friday, at a minimum, and make an appearance on the weekends, to show they were committed," she says. "Gen Y has taken that concept and flipped it, saying, 'Look, I'm dedicated and willing to work just as hard, but not necessarily from the office. I can work from home or from the local coffee shop."

Dial sees the same "wherever working" trend with clients and believes this is creating even more pressure for law firms to create similar practices: "If a law firm can't adapt to this new way of working, they risk not only losing legal talent, but maybe clients, too."55

<sup>\*</sup>Multiple responses were permitted.

## The Impact of an Increasingly Mobile Workforce

Gen Y professionals – along with an increasingly mobile legal workforce – also are having an impact on the physical space of legal workplaces. <sup>56</sup> Many law firms are becoming more creative with design, reducing the number of traditional offices and adding open workspaces.

"We have Wi-Fi in all of our offices, which allows people to use their laptops without plugging in so they can interact more informally with their coworkers throughout the day," says Greenberg Traurig's Cesar Alvarez. "Our Gen Y attorneys are particularly comfortable working this way and it's been good for our whole group, generally. It helps our professionals to get to know each other as people, and that, in turn, enhances communication overall." 57

Law firms also are enhancing office spaces to help improve the client experience. This includes simplifying the reception area, moving conference rooms near reception and providing services, such as a visitors' lounge, catering kitchen and business center.<sup>58</sup> The trend toward greater mobility and flexibility in the legal workplace also will impact staffing models for the profession in the future. "We're on the cusp of seeing mobile support teams being deployed in the legal workforce – groups of highly skilled legal professionals who go from engagement to engagement to work on very substantive matters in a cost-effective manner," says Charles Volkert of Robert Half Legal.<sup>59</sup>



#### Conclusion

Changes in the legal profession, fueled – but not caused entirely – by the economic downturn, have resulted in a seismic shift in its workforce and management strategies. Many of these developments will shape the law firms and corporate legal departments of tomorrow, ultimately leading to a profession that is more nimble, diverse and global-minded, and capable of deploying exactly the right expertise and talent at the right time to create positive outcomes for clients.

#### **About Future Law Office**

The Evolving Legal Profession and Emerging Workforce of Tomorrow is part of the Future Law Office project and is the 13<sup>th</sup> annual research initiative conducted by Robert Half Legal that examines key trends in the legal profession. The report is based on interviews with experts in law firm and corporate legal department management, as well as our own legal staffing and e-discovery specialists and other professionals in the field of law. Our findings also are based on information from state and national legal publications and associations.

Robert Half Legal regularly commissions surveys of lawyers on a variety of workplace and legal management issues. Relevant statistics from these studies, which include responses from lawyers among the top law firms and corporate legal departments in the United States and Canada, are cited throughout this report. All sources, including experts and articles consulted by Robert Half Legal, are listed in the Appendices.

#### About Robert Half Legal

Robert Half Legal is the premier provider of highly skilled legal professionals for law firms and corporate legal departments on a temporary, project and full-time basis. The company also offers managed review and e-discovery services. We have built long-standing relationships with leading professional associations, including the Association of Certified E-Discovery Specialists, Association of Corporate Counsel, Association of Legal Administrators and Minority Corporate Counsel Association. Robert Half Legal was recently voted the "Best Legal/Litigation Support Staffing Firm" by readers of *The National Law Journal* (March 25, 2013). Robert Half Legal is a division of Robert Half, which once again was named to FORTUNE® magazine's "World's Most Admired Companies" list (March 18, 2013).

# Appendix A: **Experts Interviewed**

Cesar L. Alvarez, co-chairman, Greenberg Traurig LLP

Brett C. Bartlett, partner, Seyfarth Shaw LLP

Cynthia Thomas Calvert, consultant; cofounder, Project for Attorney Retention

Scott A. Carlson, partner, Seyfarth Shaw LLP

Audra A. Dial, partner, Kilpatrick Townsend & Stockton LLP

Robert S. Hrouda, RP®, paralegal, Hangley Aronchick Segal Pudlin & Schiller; president, National Federation of Paralegal Associations, Inc.

Jeff Levinson, vice president, general counsel and secretary, NetScout Systems, Inc.

James A. Merklinger, vice president and general counsel, Association of Corporate Counsel

Lise Patry, vice president, legal and corporate secretary, Canadian Air Transport Security Authority

Michael R. Rizzo, partner and government contracts department chair, McKenna Long & Aldridge LLP

Michael Roster, steering committee co-chair, Association of Corporate Counsel Value Challenge; adjunct faculty, University of Southern California Gould School of Law

Jeff Shelby, general counsel, Varolii Corporation

James R. Ukropina, of counsel, O'Melveny & Myers LLP

Charles A. Volkert, Esq., executive director, Robert Half Legal and executive managing director, Robert Half Legal eDiscovery Services

Joseph K. West, president and chief executive officer, Minority Corporate Counsel Association

Harley L. Winger, partner, Burstall Winger LLP

Steven D. Wingert, CLM, executive director, Marshall, Gerstein & Borun LLP; past president, Association of Legal Administrators

## Appendix B: **Endnotes**

- Interview with Michael Roster, steering committee co-chair, Association of Corporate Counsel Value Challenge; adjunct faculty, University of Southern California Gould School of Law, Jan. 15, 2013.
- Interview with Charles A. Volkert, Esq., executive director, Robert Half Legal and executive managing director, Robert Half Legal eDiscovery Services, Feb. 6, 2013.
- Roster.
- 4. Interview with Scott A. Carlson, partner, Seyfarth Shaw LLP, Jan. 22, 2013.
- Interview with Lise Patry, vice president, legal and corporate secretary, Canadian Air Transport Security Authority, Jan. 31, 2013.
- 6. Interview with Michael R. Rizzo, partner, McKenna Long & Aldridge LLP, Jan. 11, 2013.
- 7. Interview with Audra A. Dial, partner, Kilpatrick Townsend & Stockton LLP, Jan. 30, 2013.
- 8. Interview with James R. Ukropina, of counsel, O'Melveny & Myers LLP, April 10, 2013.
- 9. Interview with Brett C. Bartlett, partner, Seyfarth Shaw LLP, Feb. 5, 2013.
- 10. Interview with Jeff Shelby, general counsel, Varolii Corporation, Jan. 18, 2013.
- 11. Bartlett.
- 12. Interview with Cesar L. Alvarez, co-chairman, Greenberg Traurig LLP, March 4, 2013.
- 13. Ukropina.
- 14. "Law Firm Mergers Involving Cross-Border Firms on the Rise." JD Journal, Dec. 27, 2012.
- 16. Interview with Harley L. Winger, partner, Burstall Winger LLP, Feb. 4, 2013.
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- 40. Hrouda.
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   Robert Half Legal, May 17, 2012.
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- 43. Interview with Jeff Levinson, vice president, general counsel and secretary, NetScout Systems, Inc., Jan. 23, 2013.
- 44. Interview with Steven D. Wingert, CLM, executive director, Marshall, Gerstein & Borun LLP; past president, Association of Legal Administrators, Jan. 29, 2013.
- 45. Rizzo.
- 46. Levinson.
- Caplan, Lincoln. "An Existential Crisis for Law Schools." The New York Times, July 14, 2012.
- 48. Alvarez.
- 49. The Business Case for Diversity: Reality or Wishful Thinking? Institute for Inclusion in the Legal Profession and Association of Legal Administrators, 2011.
- Interview with Cynthia Thomas Calvert, consultant; cofounder, Project for Attorney Retention, Jan. 15, 2013.
- 51. Interview with Joseph K. West, president and chief executive officer, Minority Corporate Counsel Association, Feb. 4, 2013.

- 52. Calvert.
- 53. Ukropina.
- 54. Winger.
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- 58. Law Firm Perspective United States 2012. Jones Lang LaSalle, 2012.
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