

The new generation gap

Young lawyers are a different breed these days; they are openly challenging the demands made on new associates, refusing 90-hour work weeks and ever-more billable hours. Many are even walking away from the big salaries and bright futures at the largest firms. Partners take note. **By Kirsten McMahon**

Routinely working through lunch. Going back to the office after the kids are in bed. Missing the Saturday morning soccer game. Associates, especially those with young children, are well known for working punishing hours. In the past, most assumed it was the price of a promising, well-paying career in law and that as they climbed the ladder, things would get better.

Of course, complaining about it with peers in private (sometimes even bragging) has always gone with the territory. But now, more and more young lawyers are doing something about it. No longer willing to wait until middle age to 'get a life,' they are beginning to do more than rattle the cage bars. Many are acknowledging in confidential surveys (most still won't speak publicly for fear of burning bridges) that when they think about leaving a firm, it's support for family and personal time they are seeking; traditional drivers like increased compensation and advancement opportunities now seem to be taking second place to lifestyle choices.

"I'm hearing about the importance of work-life balance from younger lawyers," says Madeleine Loewenberg, chair of the Young Lawyers Division of the Ontario Bar Association, "and I am hearing that they're willing to leave their firms and in some cases the profession in search of a better work-life balance.

"My opinion is that lawyers today, and especially younger lawyers, are placing a higher value on their personal goals and commitments. They're seeking more flexibility in the way that they work and they're more comfortable today expressing their needs and their preferences.

That's definitely been a shift we've been seeing."

She says the tension around the issue of work-life balance arises because the profession is often driven by client demands and fueled by the concept of the billable hour, one that many younger lawyers believe needs re-consideration.

"How the firm and the lawyer balance their competing needs and interests often influences whether the relationship between the lawyer and the firm works out," she observes.

Firms are not deaf to the issue. Ten of the largest in the country sponsored a recent survey conducted by Catalyst, a not-for-profit group in Canada and the U.S. that works for the advancement of women in business. The results were striking; it found that of the almost 850 associates polled from 100 firms, 84 per cent of females and 66 per cent of males said they would choose to work at another firm if it provided more opportunity for work-life balance. The survey also found that 62 per cent of female associates and 47 per cent of males expect to leave their current firm within the next five years. "Clearly, work-life balance is shaping their intentions to stay with their firm and that has cost implications," says Sonya Kunkel, director of Catalyst. (The survey is one part of a study entitled "Beyond a Reasonable Doubt: Building the Business Case for Flexibility.")

In addition to losing talent, the survey finds that the estimated financial loss when an associate decamps is \$315,000 — when recruitment, articling and training costs are taken into account — which is two to three times an average associate



salary. The average break-even point on an associate is almost two years; that is, the point at which the revenue an associate brings in equals what it costs to train them, and then have them leave (including departure costs). Associate turnover can also disrupt client service and lower morale among those left behind.

Turnover is still higher among women

with families. One associate at a large Toronto firm who responded to our survey says: "Our firm is not flexible or open to suggestions to improve work-life balance and as a result, numerous associates are leaving, especially the women." But Kunkel notes that the issue is also a big one for men and it would be unwise to focus merely on the problems that women face: "What was great for us was to be able to put numbers behind it and say, 'Yes indeed, this is no longer, even if it ever was, exclusively a women's issue. It's definitely an issue for both men and women,'" she says.

In fact, men are becoming much more forthright about the issue, even those not yet caught up in the demands of family life. One male associate at a Toronto firm says, "The expectation that an associate will work long hours, evenings and weekends whenever needed — and not just on special occasions but generally — takes a toll on an associate's family and personal life.

"As a result, many people leave. I don't have kids now, but when I do I may consider going in-house. For now, my hours as a transactional lawyer, even one who comes in a little below target, are a strain on my marriage."

Kunkel says there are lots of things a firm can do to alleviate the pain, but the firm's own attitude to the problem is crucial. She recommends that firms follow the turnover cost formula in the study to determine what's at stake in dollars and cents: it puts a sharp focus on the downside of high turnover, and that helps create a business case for change. And as the report somewhat euphemistically puts it, word gets out when a firm is a good place to work: firms that respect an employee's personal life may "have a reputational advantage," it says. And as the report adds, that's good for business.

What also seems clear is that this is no passing trend: while it's still possible to exact big sacrifices from associates, change appears inevitable. "Be prepared to sacrifice family time if you want to succeed in a mid- to large-sized firm," one associate in the *Canadian Lawyer* survey says. "We need one more generation to pass on before quality of life will be an acceptable reason to work less. New lawyers should make a point of pressuring quality of life, take full vacation, work less hours. It requires a large group effort to change the old boys' club ways of thinking."

Survey results

What the associates told *Canadian Lawyer*

"It's not so much the pressure to meet billing targets as it is that the quality of life for an associate in a big Bay Street firm can't help but suffer as a result of the demands of clients and other lawyers in the firm," says one Toronto associate. "It's a trade-off — we choose to work at a big firm so we can have interesting work, great training and a big paycheque, but the price is our time."

Another says, "I think seasoned lawyers need to be open and honest about the emotional and psychological turmoil most junior associates go through. Dealing with a busy workload is manageable; however, dealing with the stresses of your personal life and mental health during the first years of practice is difficult." On the other hand, many associates say they generally find law to be an intellectually challenging and monetarily rewarding career.

This year, more than 160 qualifying associates from 38 mid-sized to large firms responded to our survey, rating their

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AT-A-GLANCE NATIONAL FIRM RANKINGS

Here's how this year's associates ranked their firms in areas like partner feedback, training, years to make partner, financial satisfaction and whether they would recommend the firm as a place to work. In the event of a tie, firms are listed in alphabetical order.

Firm	City	Score %
Goodmans LLP	Toronto	85
WeirFoulds LLP	Toronto	83
Blake Cassels & Graydon LLP	Vancouver	79
Borden Ladner Gervais LLP	Vancouver	79
Miller Thomson LLP	Vancouver	79
Blake Cassels & Graydon LLP	Toronto	78
Fasken Martineau DuMoulin LLP	Vancouver	77
Borden Ladner Gervais LLP	Ottawa	76
Cassels Brock & Blackwell LLP	Toronto	76
Torys LLP	Toronto	76
Harper Grey LLP	Vancouver	75
Robertson Stromberg Pedersen LLP	Regina	78
McInnes Cooper	Halifax	75
Borden Ladner Gervais LLP	Toronto	74
Lang Michener LLP	Vancouver	74
Stikeman Elliott LLP	Toronto	73
Goodman and Carr LLP	Toronto	72
Gowling Lafleur Henderson LLP	Calgary	72
Aird & Berlis LLP	Toronto	71
Bennett Jones LLP	Calgary	71
Burnet Duckworth & Palmer LLP	Calgary	71
Fraser Milner Casgrain LLP	Toronto	71
Macleod Dixon LLP	Calgary	71
Gowling Lafleur Henderson LLP	Toronto	70
Miller Thomson LLP	Toronto	67

employers on many aspects of firm life. In the end, 25 firms made the ranking. Any qualifying firm that did not have enough survey respondents within the years of call we are reviewing (2002-2005) was not included. If your firm is not ranked, it's likely that we received an insufficient response from your associates (or, you don't have enough associates within our survey criteria).

Trends and developments in this year's survey include:

- Billing targets and expectations for associates remain about the same as last year;
- The waiting periods for equity partnerships are about the same as last year, although more firms are offering non-equity partnerships after two or three years;
- Every firm surveyed was open to flexible work arrangements in appropriate circumstances, although in most cases they are still limited to parents taking parental leave;
- Salaries and hourly rates for first-year associates remain the same as last year; and
- Most respondents who noted unfair practices in their firms observed that discrimination was usually apparent at the partnership level (the ratio of male to female partners).

This year's associates acknowledged that the problems they face are not specific to their firms or Bay Street; the whole profession is affected. According to one Toronto associate, "You get paid well for a reason — you give up a whole lot to do this job. I doubt very much that I'll last another five years. Life's too short to spend it worrying about the almighty billable hour."

The new, must-do, non-billable: marketing

It's not so much the billable hour targets that are frustrating associates this year, as the new expectations around marketing, a non-billable activity.

"There is excessive pressure to contribute non-billable hours for marketing purposes," says one associate in the Greater Toronto Area. "Associates have been singled out to explain why he or she didn't go to a marketing meeting. These non-billable hours can be about one-third of total time spent working for the firm."

Another respondent says, "It's not so much the billing targets as the super-added 500+ non-billable hours for publishing, committee work, etc."

Some of the biggest complaints this

'Client expectations need to be managed better,' says one respondent. "If an associate is working all night long you can be guaranteed that the work is not as good or being performed efficiently.'

year concerned billable hours, non-billable hours, client expectations and the resulting quality of work.

"No time to properly look at issues," says one respondent. "I just do what is necessary and move on to the next file. Time is money — it's too bad."

Another says, "Clients expect associates to keep costs down, which is at odds with the time required to do thorough reviews."

"Client expectations need to be managed better," says one respondent. "If an associate is working all night long you can be guaranteed that the work is not as good or being performed efficiently. If you get an assignment at 5 p.m. and it's due the next day, obviously it has to get done."

The national average for the annual

budget of billable hours was just over 1,600 hours, but there are many firms with targets that are much higher.

Salaries are flat, but housing prices aren't

Overall, salaries for first-year associates were at the same level as last year (and the year before) in all areas we surveyed; for the most part, salaries were comparable in each region. Overall, associates are relatively satisfied with their salaries, although associates in Toronto were more likely to find their compensation to be only "adequate." (See our "Province-by-Province Analysis" for average starting salaries.)


However, associates did voice concerns about the combination of stagnant salaries and the ever-increasing cost of living, with one associate noting, "I would rate my

financial satisfaction higher if prices around me weren't increasing so rapidly." "Although we get raises every year, the range for salaries hasn't increased in about three or four years. Therefore, a lawyer at my level three or four years ago was making the same as I am today while my cost of living has increased dramatically in the last few years.

And the winner is...

For the third year in a row, Goodmans LLP in Toronto took the top honours as the top-rated firm in Canada. Based in Toronto, with offices in Vancouver and Hong Kong, Goodmans is known as one of Canada's premier transaction law firms.

Associates praised the firm for its collegial atmosphere, the open-door policy of partners, and the availability of interesting work. They also praised a system that gives them a high degree of independence on files.

"I love the people here," says one Goodmans associate. "They are the type of people I would choose as friends outside of work. The firm guards this culture above all else and it has paid off in spades. It is one of the happiest work environments around, even when the demands are high." 

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PROVINCE-BY-PROVINCE ANALYSIS

This summer, more than 160 associates in law firms across the country filled out our annual questionnaire about law firm life. Twenty-five firms made the cut to be eligible for our survey. We exclude any firms with too few responses to be meaningful. An intricate formula honed over the past decade of surveying weighs the points given to each answer according to the importance of the subject matter.

We then translated the average of the weighted scores into letter grades and percentages, where applicable. In all, a maximum of 130 points could have been attained by a firm. We relied on responding associates to know their billing targets and the firm's starting salaries.

	PARTNER FEEDBACK	EVALUATION PROCESS	TRAINING AND GUIDANCE	PARTNER CANDOUR	PARTNERSHIP POLICIES	YEARS TO MAKE PARTNER	FAIRNESS OF ASSIGNMENTS	ANNUAL BUDGET OF BILLABLE HOURS	FLEXIBLE TIME	OFFICE RESOURCES	CLIENT CONTACT	INTEREST LEVEL	RESPONSIBILITY	ASSOCIATE RELATIONSHIPS	WORK ATMOSPHERE	STARTING SALARY FOR ASSOCIATES	FINANCIAL SATISFACTION	DISCRIMINATORY PRACTICES	JOB SATISFACTION (% OF YES)	RECOMMENDATION (% OF YES)	NUMBER OF RESPONDENTS	COMPOSITE SCORE (%)
ATLANTIC																						
McInnes Cooper	B-	Y	B	B+	B+	7	B-	1600	B	B	C-	B	B-	B	B+	\$47,000	B-	B-	100	100	6	98
ONTARIO																						
Goodmans	B-	Y	B+	B+	A	7	B+	0	B	A-	B-	B	B-	A-	A	\$90,000	C+	A-	92	92	13	111
WeirFoulds	B+	Y	A	B	B	7	B	1650	B-	B+	B	B	B-	B	B	\$85,000	B-	B	100	100	4	108
Blake Cassels	B-	Y	B	B-	B	8	B	1750	B	B+	B-	B	B+	B	B+	\$90,000	B-	A	75	75	4	102
Fasken Martineau	B-	Y	B+	A-	B+	7	B	1700	B	B+	B-	B-	B	B+	B+	\$90,000	B-	B	75	100	8	101
Borden Ladner (Ottawa)	C	Y	B	C	B+	7	B	1725	B	A-	C-	B	B	B+	B+	\$63,000	B-	B-	67	100	6	99
Torys	B+	Y	B+	B+	B-	8	B	1800	B	B+	B+	B	B-	B-	A-	\$90,000	B	B-	80	100	10	99
Cassels Brock	B-	Y	B-	B+	B+	7	B-	1800	B	B	B+	B-	B	B	B	\$90,000	B-	B	85	92	13	99
Borden Ladner (Toronto)	B-	Y	B-	B	B+	7	B	1650	B-	B+	B-	B	C+	B+	B+	\$90,000	C-	B+	70	89	20	96
Stikeman Elliott	B-	Y	B	C	B	7.5	B+	1780	B-	A	A-	B	B+	A	B+	\$90,000	B-	B	50	50	4	95
Goodman and Carr	B-	Y	C	B-	B+	7.5	B-	1700	B-	B	B	B-	B	B	C+	\$90,000	B-	C+	50	67	6	94
Aird & Berlis	B	Y	B	B	B	5	B	1730	B	B	B	C	B-	B	B	\$90,000	B-	B	50	75	6	92
Fraser Milner	B-	Y	B-	C+	B	8	B	1700	C+	B-	C	B-	C	B-	B+	\$90,000	C+	A-	50	80	10	92
Gowling Lafleur	B-	Y	C+	C	B-	7.5	B	1750	B	C	C	B	C	B+	B	\$90,000	C	A	100	100	4	91
Miller Thomson	B-	Y	B-	B	B+	8	B-	1700	B-	B-	B	B-	B	B	B+	\$89,500	C+	A	50	50	6	90
PRAIRIES																						
Robertson Stromberg (Regina)	B-	Y	B	B	B-	7	B	1200	B	B+	C-	B	B	B-	B+	\$47,000	C	A	100	100	3	98
Burnet Duckworth (Calgary)	C+	Y	C+	B-	B	8	B+	1825	B	B	B	B	B-	B+	B+	\$75,000	C-	B+	75	75	4	92
MacLeod Dixon (Calgary)	C+	Y	B+	B	C	7	B	1800	B-	B	A	B	B-	B+	B+	\$60,000	C	A	50	100	4	92
Gowling Lafleur (Calgary)	B-	Y	C+	B+	B-	8	B	1750	B	C	C	B	C	B+	B	\$80,000	B+	A	100	100	4	93
Bennett Jones (Calgary)	C	Y	C	C	C	9	B	1800	B	B+	C	B+	B	B	B	\$60,000	B	C	100	100	4	92
BRITISH COLUMBIA																						
Blake Cassels	B	Y	B	B	A	8	B	1750	B	B+	B	B	B	B	B+	\$75,000	C	B+	100	100	4	103
Borden Ladner	B-	Y	A-	B	A	7	B+	1650	B+	B+	C	B	B-	B-	B	\$73,500	B-	A	75	100	8	103
Faskin Martineau	B	Y	A	A	B	7	B+	1720	B	B+	B	B	B-	A	A	\$70,000	A	B-	100	100	4	100
Harper Grey	C+	Y	B-	B-	B	8	B+	1650	C+	B+	B	B	B-	B-	A	\$75,000	B-	B	75	75	4	98
Lang Michener	B	Y	C	C	B	7	B-	1725	B-	A	A	B	B+	B-	B	\$82,000	B-	B-	50	100	4	96