Cordell Parvin Blog

DEVELOPING THE NEXT GENERATION OF LAW FIRM RAINMAKERS

<u>Clients: The Problem with Law Firms Rewarding Hours</u> By Cordell Parvin on June 3rd, 2015

If you haven't read it, I recommend every law firm leader big firm or small, read the <u>Georgetown Law</u> and Peer Monitor Release 2015 Report on the State of the Legal Market.

There are many important takeaways. Here is one right from the first page, talking about what has happened since 2008:

Perhaps of greatest significance has been the rapid shift from a sellers' to a buyers' market, one in which clients have assumed control of all of the fundamental decisions about how legal services are delivered and have insisted on increased efficiency, predictability, and cost effectiveness in the delivery of the services they purchase.

Clearly clients want to reward efficiency, predictability and cost effectiveness. Just suppose a law firm chose to reward its partners and associates based on the same criteria.

In my old firm, for many years we rewarded associates by giving bonuses based on their hours. It was 1950 to stay in the game, 2050 for a bonus, 2150 for a bigger bonus on up to 2650.

If you are a regular reader you likely recall that I had a graph created showing of the number of associates achieving any particular number of hours. The number spiked at the 1950, 2050, 2150... and spiked back down at 1960, 2060, 2160...

I guess we must not have had enough work for associates to bill say 2000 hours or 2100 hours.

Let's assume for the moment that the hours weren't manufactured just to reach a bonus point. Do you think an overworked lawyer billing 2650 hours is providing the same quality of work when he or she is tired and would rather be home eating dinner with his or her children?

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I recently read in interesting Huffington Post article: <u>My Q and A With Work and Family Expert Joan</u> <u>Williams on When Work Becomes a Masculinity Contest</u>. I hope you have time to read the entire article. After reading the article, I want to ask the next surgeon I need how many hours he or she sleeps each night.

Here is one short quote:

Overwork also has become a way to signal class status: "I am slammed" is a way of saying, "I am important."

I hear stories of law firms no longer rewarding associates based on their hours. Is your firm still rewarding associates base on their hours?

Cordell M. Parvin built a national construction practice during his 35 years practicing law. At Jenkens & Gilchrist, Mr. Parvin was the Construction Law Practice Group Leader and was also responsible for the firm's attorney development practice. While there he taught client development and created a coaching program for junior partners. In 2005, Mr. Parvin left the firm and started Cordell Parvin LLC. He now works with lawyers and law firms on career development and planning and client development. He is the co-author of *Say Ciao to Chow Mein: Conquering Career Burnout* and other books for lawyers. To learn more visit his Web site, www.cordellparvin.com or contact him at cparvin@cordellparvin.com.