Will promoting a part-time associate provoke a crisis at Meeker, Needham & Ames?

The Case of the Part-Time Partner

by Gary W. Loveman

HBR's cases are derived from the experiences of real companies and real people. As written, they are hypothetical, and the names used are fictitious.

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Meeker, Needham & Ames, a long-established metropolitan law firm, employs 100 associates and 20 partners and is preeminent in corporate litigation. Each year, the promotions committee nominates associates for promotion. This year, the partner nominations carried particular weight; MN&A's overall billings and partner incomes were stagnating, showing the effects of intensified competition and in-house corporate counsel. The three associates under consideration had all worked for the firm seven years, meeting the minimum requirement for partner.

Chairing the meeting was George Hartwig, 53, for three years the managing partner. Also on the committee were Maury Davidson, 62, a senior partner and managing partner for seven years before Hartwig; Pamela Fisher, 44, a tax law specialist and the only female partner; and Jim Welch, 47, director of litigation.

The day after the meeting, Hartwig circulated the minutes. Memos from Fisher and Davidson appeared on Hartwig's desk the same day.
MINUTES OF THE PROMOTIONS COMMITTEE MEETING
SEPTEMBER 1, 1990

Present: George Hartwig, chair  Maury Davidson  Pamela Fisher  Jim Welch  Absent: None

Mr. Hartwig called the meeting to order at noon. He began by reminding the committee that although there was no fixed number of slots available for partners, the committee must consider carefully who it decided to recommend for promotion. Given the severe competition facing the firm, he said, the decision carried with it both risks to the incomes of existing partners and opportunities for new and increased billings. He also stated that the committee should nominate all worthy candidates but should carefully evaluate merit in terms of client service and the ability to generate revenues. He then asked Mr. Davidson to begin the consideration of Rick Stewart.

Mr. Davidson said that he believed that Mr. Stewart should not be promoted to partner. "While Rick has done well at this firm," said Mr. Davidson, "he hasn’t really distinguished himself. Nor has he developed a practice that will generate new clients."

Mr. Welch supported Mr. Davidson’s position. "Rick’s work as a litigator has been solid, as his file indicates. But I don’t think he’ll become the kind of attorney who can capture the confidence of the high-level executives we want to represent."

Mr. Hartwig asked if anyone wished to support Mr. Stewart. Hearing no one, he declared Mr. Stewart’s candidacy dropped and asked Mr. Welch to speak to Tim Brower’s candidacy.

Mr. Welch stated that, in his opinion, Mr. Brower could serve as a model for the young, hard-working, committed attorneys the firm would need to attract in the future. "Tim has distinguished himself in virtually every way possible," said Mr. Welch. "He has consistently handled difficult cases with exceptional results and has earned praise from clients. He volunteers for more work and can be found at the office nights and weekends. And he has more than once proposed new legal avenues for us to pursue, based on his expertise in some of the more technical areas of our practice."

Mr. Hartwig asked if there were any reservations to Mr. Brower’s candidacy.

Mr. Davidson responded that his only concern was that Mr. Brower seemed more interested in legal technicalities than in pursuing new clients.

Ms. Fisher remarked that his file clearly indicated a lack of new-client development.

Mr. Welch responded that Mr. Brower’s networking and client-development abilities were definitely weak but that the rest of his performance was so outstanding that he was certain Mr. Brower could improve in these areas.

Mr. Hartwig asked for the sense of the committee. It unanimously supported Mr. Brower’s candidacy for partner.

Mr. Hartwig said that he would introduce the candidacy of Julie Ross. He reminded the committee members that they all had firsthand knowledge of Ms. Ross’s capabilities since she had worked for each of them at various times. Her file indicated that they had found her performance exemplary. Her work had ranked among the best in the firm, displaying both keen insight into legal issues and top-notch courtroom litigation. Moreover, Mr. Hartwig stated, in the past two years Ms. Ross had shown a growing capability for attracting new business. In most cases, she had received additional work from existing clients, but in two instances, satisfied clients had given her name to other companies that had then engaged MN&A as their main counsel.

Mr. Hartwig said that the main issue the committee needed to address was Ms. Ross’s part-time status. "When Julie had her baby three years ago," he said, "she requested and was given a reduction in her client load. We should consider her promotion in light of how it will affect firm perceptions and policy on part-time status in general."

Mr. Welch asked Mr. Hartwig to review the agreement made with Ms. Ross as well as the firm’s other part-time arrangements.

Mr. Hartwig responded that Ms. Ross had negotiated a flexible schedule that permitted her to work "as necessary" to meet the needs of her clients. She and the firm understood that this would require
approximately 50% of the billable hours of her colleagues, with salary and benefits reduced accordingly. Mr. Hartwig recalled that there had been much debate about the agreement and that many senior partners had been adamantly opposed to part-time work. Nevertheless, Mr. Hartwig had agreed to the proposal, making MN&A the first firm of its size in the city to implement part-time schedules for its attorneys.

Mr. Hartwig said that after negotiating the agreement with Ms. Ross, he had issued a memorandum stating that the firm would entertain similar requests from other attorneys, would have no general policy on part-time professional work, and would work out decisions and details case by case. Since that time, two other female junior associates had been granted part-time status. Both had negotiated fixed schedules of three days per week.

Ms. Fisher stated that although Ms. Ross exhibited outstanding skills, she was not qualified for promotion. "We all had these skills when we were up for partner. But what distinguished us from the others was our dedication to the firm and to our clients through years of exceptionally hard work and long hours."

Ms. Fisher said that as an associate, she had worked a minimum of 70 hours per week, as had most associates who made partner. These long hours were not only evidence of commitment but had also been invaluable in giving her a feel for the firm's distinctive culture and an understanding of its needs. "We have all just agreed that Mr. Brower should be made partner; in part because of his demonstrated commitment to the firm. Skills alone are not enough," she concluded.

Mr. Welch stated that he agreed with Ms. Fisher that Ms. Ross should not be nominated. "Julie's performance may have been excellent, but it has been based on a less-than-equal standard," Mr. Welch said. He noted that partners had refrained from assigning Ms. Ross the most complex and demanding work because of her limited schedule and her inability to go on lengthy trips. He concluded that he could not support her candidacy unless she returned to work full-time on the same kinds of cases and under the same conditions as her peers.

Ms. Fisher pointed out that the committee needed to address the issue of establishing precedent. "If we promote Julie without demanding an equal commitment to the firm," she stated, "we will be telling all of our associates that we no longer value motivation and dedication."

Mr. Hartwig agreed with Ms. Fisher that Ms. Ross's case would affect the firm's future direction, but he disagreed with her conclusion. He said that the proportion of female law school graduates was increasing each year and with it the number of female associates joining the firm. He pointed out that 40% of new hires in the past five years had been female, yet the firm still had only one female partner. "Our best female associates aren't staying around long enough even to be considered for partner," he stated. "Unless we establish a more flexible environment, we'll continue losing them. Julie is the only promising female candidate we'll have for the next two years. Promoting her will help us attract and retain the best people." Mr. Hartwig concluded that it was in the firm's best interest to balance the costs of nontraditional work schedules against the benefits of keeping people like Ms. Ross.

Mr. Davidson stated that establishing a flexible environment was important to men as well as women. Although no men had yet shifted to part-time schedules, he noted, the firm had recently lost several outstanding male associates who had left to pursue careers that gave them more time with their families.

"This is not purely an issue of gender," Mr. Davidson said. "It is an issue of how we structure our work and the demands we place on all of our people. When I came up through the ranks, I expected to work and to do little else. All of us in the partnership paid a very high price in our home and family life, including separation and divorce. Today many of our best associates are unwilling to live as we did, and I can't say I blame them." Mr. Davidson concluded that the firm would have to make some changes in order to keep the best attorneys, and that included promoting Ms. Ross.

Mr. Welch reminded Mr. Hartwig of the debate that had ensued when Ms. Ross was given part-time status as an associate. He predicted that making Ms. Ross a part-time partner would produce an even greater crisis. Mr. Welch said, "I am not convinced that the threat of losing Julie and people like her is worth putting this firm through the convulsions that would follow her promotion. We can always attract enough people like Pam Fisher, Tim Brower, and ourselves among the many associates we hire each year to keep this firm growing and prosperous."

Mr. Hartwig stated that the committee was clearly divided on Ms. Ross's candidacy. Mr. Hartwig said that he would recommend Tim Brower for promotion and would draft a report describing each committee member's arguments regarding Ms. Ross's candidacy. He would circulate the report among the partners and schedule a meeting of the partnership for an open discussion.

Mr. Hartwig adjourned the meeting of the promotions committee at 3:30.
September 2, 1990

To: George Hartwig
From: Pam Fisher

I've just looked over the minutes of the promotions committee meeting, and there are two things I'd like to add.

First, I have to point out, George, that the entire discussion wouldn't have been necessary if, at the time you made the part-time agreement with Julie, you had been explicit about how it would affect her chances of making partner. I don't understand why the issue wasn't clarified from the beginning.

Second, I see an important distinction between part-time associates and part-time partners. I respect Julie's decision to spend time at home with her young child. As an associate, I probably would have made the same decision if I'd had children. But I would not have expected to make partner. Associates can cover for other associates, but nobody can cover for a partner; we are the critical link to the client. I need not remind you that this firm is in trouble. I don't think we should consider making someone a partner who would not be working full-time to help us out of this situation.

9/3/90
George—

Nice job handling the discussion at the meeting. You've got a tough assignment ahead of you outlining for the partners the committee's divergent positions on Julie.

I don't mean to complicate the matter, but to me the issue isn't simply about making Julie a partner. Her case will effectively establish the firm's policy on part-time work. The relevant issues here include flexible work schedules, motivation of both male and female associates, the reaction of the firm's clients, and the concerns of the existing partners.

But even more important, our decision will reflect our beliefs as an organization about how the quality of one's personal life affects one's work at the firm.

I think you know my position on this. I intend to spend more time with my family—I don't want to wait until retirement to begin enjoying my grandkids. Furthermore, I'm convinced that doing this will make the time I spend at the firm more productive.

Maury