

Allocate Time Strategically in 2021

By Richard G. Stock, M.A., FCIS, CMC, Partner with Catalyst Consulting

This is the twenty fourth in a series of articles about how corporate and government law departments can improve their performance and add measurable value to their organizations.

Six years ago, the December 20th issue of *The Economist* featured a piece that asked the question “Why is Everyone So Busy?”, sub-titled in search of lost time. The article was thoughtful yet frustrating because it did not offer any real solution. There is no path to balance, it seemed. This is doubly so now that so many in-house counsel are working from home.

As the article explains, “Once hours are financially quantified, people worry more about wasting, saving or using them profitably.” Indeed, University of Toronto researchers found those who are paid by the hour tend to feel more “antsy” when they are not working. Of course, lawyers are not paid by the hour, but they do bill by the hour, and that culture influences how in-house counsel value their own time (since most have spent a few years at a firm).

And then there is the matter of overall compensation. Research has found that when people are paid more to work, they tend to work longer hours. Well, aside from the most recent recession, hourly rates and compensation for lawyers in private practice have continued to rise. So that should tell you something about a lawyer’s work/life balance.

Time-management practices in the legal industry do vary from place to place, however. Over the past 18 months, I have spent 80 per cent of my time working for US and European clients, and I have observed significant differences. Even within the United States – from Seattle to Nashville to mid-town Manhattan – I detected important variations in work volumes and habits.

The overall number of hours worked, for instance, is higher in the US than in Canada. A Harvard Business School survey of 1,000 professionals found that 94 per cent worked at least 50 hours per week, and that almost half worked more than 65 hours. *The Economist* noted that “60% of those who use smartphones are connected to work for 13.5 or more hours per day.” The Altman Weil 2020 Chief Legal Officer Flash Survey (contact info@altmanweil.com for reprint) reported that the pandemic has increased the length of the workday by an average of 10%.

To some extent, this can be explained by vacation entitlement and statutory holidays, which are more generous in Canada. The Glass Door Consultancy reported that the average US professional or manager “takes only half of what is allocated, and 15% don’t take any holidays at all.”

We have conducted at least ten studies on workloads and workflows for clients over the past decade. The data show that the length of the workweek had indeed increased by 10 per cent during this pre-covid period. But the real story emerges in the interviews with in-house counsel and their clients.

Work-related stress is driven by work flows and not workloads. Most departments have no protocol for who can call on the law department, and when they should do so. Access is unrestricted and available 24/7. Responses are expected within one business day or less, regardless of the significance of the matter.

An analysis of the type of work and the source of the requests shows that many departments

will dedicate 80 per cent of their resources to 20 per cent of their clients. The remaining 80 per cent of clients can become much more self-sufficient with increased training, standard form documentation and more explicit protocols for access to the law department. Productivity gains approaching 10 per cent can be achieved for most law departments using this multi-faceted approach.

Further analysis reveals that 40 per cent of the work done for core clients is still routine, and typically takes less than five hours per matter to complete. The average is 1.5 hours per matter. Indeed, one is hard-pressed to find a law department with more than 30 per cent of its resources allocated to complex work. That makes it hard for a corporate law department to make a significant and strategic contribution.

GCs cannot hold back the tides of demand for services from the law department. However, there are three things they must do to improve the productivity and value of their limited resources.

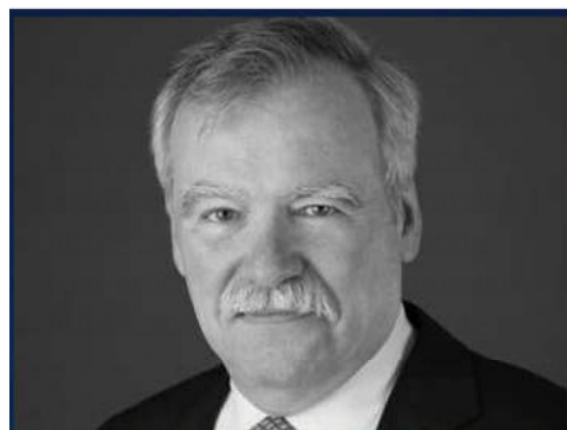
First, they should have an accurate and current picture of the demand for services. The type, complexity, frequency and source of work should be detailed for each lawyer and paralegal.

Second, they should introduce client training and work intake protocols designed to reduce the amount of routine work by 50 per cent and the number of occasional users by 75 per cent, with a view to generating 10 per cent more capacity in the law department.

And third, the practice-management habits of each department member should be examined, with particular attention to an over-reliance on paper and to poor email management habits. Three GCs recently told me that the pandemic has greatly accelerated the move away from paper-based systems in their law departments. Only then can a law department ensure that it is both efficient and effective. The challenge is to increase its strategic impact not its stamina in 2021 so that “business gets done”.

About the Author

Richard G. Stock, M.A., FCIS, CMC is the senior partner with **Catalyst Consulting**. The firm has been advising corporate and government law departments across North America, Europe, the Middle East and Australia since 1996. For law department management advice that works, Richard can be contacted at (416) 367-4447 or at rstock@catalystlegal.com.



Improvement for Law Departments

A Series by Richard Stock about how corporate and government law departments can improve their performance and add measurable value to their organization