

OCS Weekly Bulletin

September 23, 2008

Upcoming OCS Programs & Career-Related Articles

What's Inside

*Upcoming Events/
Programs, Page 1*

*Career-Related Ar-
ticles, Pages 2-7*

About OCS

The Office of Career Services (OCS) serves as a bridge between students, alumni and employers. The staff helps students and alumni to shape and realize their career goals. We also provide counseling, workshops and resources on judicial clerkships, international opportunities and non-law alternatives.

OCS is open Monday through Friday from 8 a.m. to 5 p.m. The office is located on the first floor in Room 143 in the Law School's office building on Nathan Abbott Way.

Upcoming OCS Programs

“Negotiating Law Firm Offers” - Thursday, September 25th at 12:45pm in Room 180

Negotiating Law Firm Offers

Learn how to approach your firm and negotiate an offer that will mutually benefit both you and your firm!

September 25, 2008
Time 12:45 PM
Room 100
Sign up through Symplicity

Stanford Law School
Office of Career Services

Take charge. Explore the possibilities.

Learn how to approach your firm and negotiate an offer that will mutually benefit both you and your firm!

Please sign up through Symplicity at: <https://law-stanford-csm.symplicity.com/students>
Open to 2Ls, 3Ls and Advanced Degree students.

Career-Related Articles

- **Yale Law Women Group Names Top 10 Family-Friendly Firms**..... Pages 2-3
- **A New, Tighter Deadline for Considering Next Summer’s Jobs**..... Page 3
- **The Reality of Associate Salaries**..... Pages 4-5
- **Can Lawyers Fly High in Executive Roles?**..... Pages 6-7

Yale Law Women Group Names Top 10 Family-Friendly Firms

Rachel Breitman
The American Lawyer
09-10-2008

Just as law students are finishing up interviews and considering their job prospects, Yale Law Women has taken its latest look at firms’ policies.

Releasing the results of its third annual survey on family-friendly firms Monday, the student group cited the 10 best at helping lawyers strike a work-life balance.

After sending 100 top firms a 35-question survey, the group weighted and ranked their responses. Firms garnered kudos and special attention for extending parent-leave programs, offering on-site child care, allowing lawyers to work from home or fostering leadership opportunities for women and minorities.

In order to encourage more firms to participate in future surveys, the group decided not to rank the top 10 performers this year or to publish the list of the also-rans. Topping the list were Arnold & Porter and Covington & Burling in Washington, D.C; Debevoise & Plimpton and Kramer Levin Naftalis & Frankel in New York; Mintz Levin Cohn Ferris Glovsky and Popeo and WilmerHale in Boston; Perkins Coie in Seattle; Dorsey & Whitney in Minneapolis; Gibson, Dunn & Crutcher in Los Angeles; and Chicago’s Kirkland & Ellis.

“We didn’t just ask about their policies,” the group’s chair, Lauren Gerber, tells The AmLaw Daily. “We also asked what percent of the lawyers took advantage of each policy, to make sure that firms weren’t just paying lip service to work-life balance. We wanted to see change in action.”

Each year the group has tinkered with its methodology. In 2006, the students looked only at firms attended by Yale Law summer associates. Last year, the students culled their data from the National Association of Women Lawyers, rather than conducting original research.

Some results were heartening. The group found, for example, that the firms are giving men an average of eight weeks of paternity leave. Other findings -- including that, even in the most family-friendly firms, women make up only 19 percent of partners -- were more daunting.

But some firms are hard at work to change that last statistic. At Dorsey, 10 out of 16 of the 2007 partnership class were female, and four of them were working part time. The firm has a female managing partner in Marianne Short, and partner -- and former presidential nominee -- Walter Mondale is a frequent advocate for promoting women into leadership positions.

While only 7 percent of associates at the winning firms work part time, many of them are adding policies to boost this number. At Debevoise, more than 50 lawyers are working part time; 12 of the partners have worked part time at one point or another. “Probably what makes us distinctive is that we have had women working part time for over 40 years,” says Margaret Davenport, one of the co-heads of the part-time group. In fact, Davenport became a partner in the corporate group in 1995 while she was working part time. “You don’t need to ask permission or strike a deal to work part time.”

(continued on next page)

Career-Related Articles

Yale Law Women Group Names Top 10 Family-Friendly Firms

(continued from page 2)

Other firms have helped lawyers take extended leave without losing their job security. At Arnold & Porter employees can take a leave of absence of up to three years. During that time, the firm continues to pay bar membership fees, and helps with continuing legal credits. In-house day care is available for parents who choose to

return to work.

Among the innovations adopted by Covington, which is on the Yale list for a second year in a row: an increased capacity for telecommuting and a new health-advocacy program that offers advice on family health care issues. "It's not about the success of individual lawyers," says

Andrea Reister, a co-chair of Covington's Diversity Committee and partner in the patent litigation group. "It's about the success of the firm balancing the lives of their lawyers."

A New, Tighter Deadline for Considering Next Summer's Jobs

Lynne Traverse

The American Lawyer

September 12, 2008

It's a whole new world for 2L students lining up now for 2010 summer associate positions. In previous years, NALP set deadlines for accepting offers for these jobs that extended until Dec. 1. This year -- responding to voices throughout its membership and a task force appointed to examine the issue -- NALP is testing a novel, yet often-suggested alternative: rolling deadlines that expire 45 days from the offer-letter date.

While 2L students may be hearing scary stories from students in previous classes, the impact of this change could well be positive. One example: No longer will students be able to hold on to offers for three months, in essence hoarding available positions and preventing students who interview later in the season from opportunities.

At the same time, the new time line is definitely tight for those who conduct searches in more than one region while also juggling law review, mock trial, demanding class loads and other obligations. Even so, this is probably the last time in your life that you'll have up to 45 days -- a luxurious length of time in the professional world -- to make an important career decision.

So, here's what to keep in mind to make the best of the situation:

- Develop a personal deadline-tracking system. Remember: Offers not accepted, declined or extended via negotiation by

the deadline date will expire.

- Your school's career development office may or may not assist with deadline tracking but, in any event, can assist only if they know your personal deadlines and issues, so keep them informed. This is particularly important when juggling geographically broad searches.

- Employers also may or may not assist with reminders. It's best to assume that they won't hold your hand. On the flip side, obtaining the information necessary to make a timely decision is critical, so don't be shy about asking questions.

- Because there won't be time for leisurely follow-up visits in late October, any second visits to get additional information should be scheduled quickly.

- Although encouraged to do so, employers are under no requirement to grant extensions. You can maximize your chances for an extension by asking in a timely way -- at least 10 days before your deadline. Asking on deadline day makes you look unprofessional and scattered. And have good reasons in hand -- a job search in multiple locations or a spouse who is also conducting a search. One exception is if you are searching for a public interest job. NALP's principles and standards strongly urge employers to allow students to hold one offer open until April 1 while a student seeks a public interest position.

- Despite the new timing, don't panic

and accept the first offer. Explore as many options as you can. Once you accept an offer, it is a professional and ethical commitment, and you cannot change your mind. You will not have a successful experience if a rushed decision results in the wrong fit. This is your most important job search for the foreseeable future and will affect your career for the next four to five years.

- Forty-five days is still an ample amount of time to choose rationally and wisely. Yes, it requires focus and diligence on your part, but it will also serve as great practice for future career moves.

Good luck, and happy job hunting!

Lynne Traverse is a recruiting and professional development manager at Bryan Cave.

Career-Related Articles

The Reality of Associate Salaries

Niraj Chokshi

The Recorder

September 10, 2008

Last year's big-firm associate-salary war may be lying dormant, but the relationship between firms and their recruits continues to quietly evolve.

Behind the scenes, associates are becoming more savvy to the realities of the economy and its attendant layoffs, and firms are beginning to tinker with compensation plans as well as intangible aspects of the job, say recruiters, attorneys and hiring managers.

Taking the temperature of California's associate money landscape, The Recorder continued its annual tradition of polling the state's 25 top-earning firms about their first-, fourth- and seventh-year compensation.

Predictably, the vast majority of the 17 firms that provided information appeared to be keeping with a lockstep \$160,000-\$210,000-\$265,000 plan and with billable-hour requirements hovering around 1,950 annually.

Only Sedgwick, Detert, Moran & Arnold seemed to buck the going rate, with first-year salaries coming in at \$130,000; fourth-years at \$144,000 to \$177,000; and seventh-years earning \$155,000 to \$197,000.

Bonuses for most firms that responded -- eight offered complete bonus data -- seemed to hover roughly around a \$40,000-\$60,000-\$80,000 schema.

But more subtle changes are under way, say lawyers, recruiters and firm personnel who work with associates.

A turbulent economy has led to persistent news of official and rumored associate layoffs, and associates are finding they must adapt quickly to a rapidly changing industry.

"I think one of the biggest challenges for associates is how they are going to weather the changes that are going to be enacted by partners and law firm management in dealing with changing economies, economies of scale, mergers and the continued globalization of the Am Law 100," said Peter Ocko, a recruiter with Major, Lindsey & Africa in Los Angeles.

TO LOCKSTEP OR NOT ...

While salaries and bonuses aren't expected to change soon, the way they're doled out may, as firms increasingly consider switching from a lockstep associate compensation model to others based on skill level.

The idea, Ocko said, is, "certainly, one of the major issues that's going to be coming up, I think, in the next year, and firms have already begun addressing it or at least talking about it openly."

Los Angeles' Manatt, Phelps & Phillips abandoned a strict lockstep compensation system years ago. The salary and bonus structure is still similar to the lockstep model at most firms, but there is no guarantee of advancement. A highly productive second-year may be paid as much as a third-year, or a very unproductive associate may see no year-to-year increase. Still, skipping ahead or falling behind is the exception.

"I actually think the system in practice is very fair because it allows for those people who are overachievers to really be valued at what their skills are worth," said Diana Iketani, the firm's chief recruiting officer. On the other hand, she said, it reduces pressure on associates who would rather pace themselves or have different priorities.

Other firms are less eager to abandon lockstep salaries, at least for now. Heller Ehrman has thought about it on occasion, most recently two years ago, but ditched the idea, said Chief Human Resources Officer David Sanders. The perception is that the lockstep model is more predictable and objective, he said. It's not that associates were cynical about variable bonuses and salaries -- "they just couldn't put their hand on it, so there's not a value."

Bingham McCutchen switched to a nonlockstep model based in part on productivity for a few years following the salary wars of the dot-com boom, but eventually abandoned it.

The motivation was a familiar one that

arises during salary wars: "The attraction to switch over to it was to respond to client concerns of the increased cost of the increased salaries that firms were adopting," said Geoff Howard, the managing partner of the firm's San Francisco office and a former chairman of the firm's associate committee.

The decision to switch back was driven, partly, by the hope that it would make comparisons with other firms easier and partly by practical concerns, Howard said.

"[The nonlockstep model] was very labor-intensive to administer," Howard said.

Still, firms are increasingly thinking about it. For instance, Orrick, Herrington & Sutcliffe is currently reviewing its own lockstep model.

UNDER PRESSURE

The latest round of salary increases and the resultant client complaints have put heat behind another key challenge for firms: how to give young associates much-needed experience without clients feeling like they're paying for it.

"I hear that more and more from partners -- that they can't give first-year associates work," said Claudia Trevisan, a recruiter with Swan Legal Search in Los Angeles.

Clement Glynn, a former big-firm attorney and co-founder of Glynn & Finley, a small law firm in Walnut Creek, Calif., says he continues to see resumes from big-firm midlevel associates who lack necessary skills, like motion or deposition experience.

"Clients can talk to a young associate and figure he or she doesn't know what he or she is talking about, and they say, 'We don't want to be serviced by younger associates. We don't want them going to school on our nickel,'" Glynn said.

To address the issue, Heller implemented a program this year to give first-years 300 "career development hours" -- which count toward minimum hours and

(continued on next page)

Career-Related Articles

The Reality of Associate Salaries

(continued from page 4)

bonus milestones -- to spend on work they otherwise wouldn't be involved with, such as strategy sessions, negotiations, depositions and various trial activities.

"We heard that clients had concerns about it and about what the increase in salaries meant for them, so we looked at that. We looked at the fact that that much more pressure was on our partners to justify giving associates -- junior associates, in particular -- opportunities," said Sanders, Heller's chief HR officer.

The program was implemented in March, and while Sanders doesn't have statistics, he said many first-years took advantage of it. "It's been what we're hoping for it to be," he said.

Bingham has a similar program and has tried to get some tasks out of the hands of partner-track attorneys altogether, Howard said.

"We've created some off-track positions for attorneys who are responsible for managing our document review efforts," he said, adding that doing so frees up associates to do more meaningful and reasonably billed work.

WORK-LIFE ANXIETY

The turbulent economy and resulting associate layoffs -- both reported and rumored -- have caused a lot of anxiety among associates and shifted the focus away from the compensation race and toward concerns such as having a job at all and being happier in that job.

"With the economic news, they're not talking about salaries -- they're talking about, 'Oh my God, what's going on there with [layoffs at] other law firms,'" said Brad Seiling, a Manatt Phelps partner and chairman of his firm's associates committee.

The push for better work-life policies among firm lawyers has been going on for

years and seems to be gaining steam, said Sharon Bunzel, a partner in O'Melveny & Myers' white-collar defense and corporate investigations practice in Los Angeles and the firm's hiring partner.

"The next challenge is not going to be about how far we raise salaries but how do we fashion programs," she said.

Bunzel left O'Melveny in 1999 as a junior associate to work for the U.S. Attorney in California's Northern District. When she rejoined her firm in 2005 in a part-time counsel position, she noticed a clear growth in the number of people concerned about work-life issues.

"I, definitely, have the sense that there can be a disconnect between the current generation of lawyers coming into law firms and the more senior people who never would have thought of demanding or even talking about work-life balance," she said.

As an associate and counsel, Bunzel worked 75 percent of the time and was paid accordingly. As a partner, the salary breakdown is less formulaic, she says, but she's still able to work on a reduced schedule.

"As more and more people like me make partner out of reduced-hours programs and you have people in positions of leadership who choose more work-life balance-related arrangements, it will become even more commonplace."

While firms are increasingly building on work-life balance programs, some lawyers say the concerns driving that expansion are not new or exclusive to the current generation.

"Retaining and attracting your good talent is as big of an issue as it ever was," said Howard, who chaired Bingham's associate committee from 1999 to 2005 and is also a former associate representative to that committee. "We were talking about very similar issues to the ones we're talk-

ing about now, and I think that speaks to the importance of the issues."

While there will always be associates who aren't interested in climbing the firm ladder, most continue to be interested in making partner, Howard said. The increasingly difficult task for the industry is retaining them once they do, he said.

"We, certainly, continue to make partners ... [but] the fact that somebody makes partner doesn't necessarily mean that you are going to be practicing with them for the next 40 years," he said.

Career-Related Articles

Can Lawyers Fly High in Executive Roles?

David Hechler

Corporate Counsel

September 22, 2008

The high-flying airline executives at Delta and Northwest don't have a monopoly on lawyer-CEOs. Jeffrey Kindler leaped from general counsel to the chief executive suite at Pfizer Inc. Philippe Dauman, Viacom Inc.'s CEO, and his boss, Sumner Redstone, chairman of Viacom and CBS, are both lawyers. So is American Express Co.'s chief, Kenneth Chenault, and Wellpoint Inc.'s Angela Braly.

Some CEOs have law degrees but never practiced, or did so only briefly. Others were hired because they were lawyers, and the spate of corporate scandals (Enron, Worldcom, etc.) seems to have contributed to the trend. Often the boards that chose them led companies that faced their own legal challenges. BusinessWeek took note of the phenomenon in a December 2004 article, "A Compelling Case for Lawyer-CEOs."

The results, however, have been mixed. Two lawyer-CEOs who were hired amid fanfare a few years ago saw their tenures end during the past year -- each with a distinct thud. Last November, Charles Prince III, Citigroup Inc.'s chairman and CEO (and, earlier, its GC), resigned under pressure after four years at the helm. In January, Michael Cherkasky, the CEO of Marsh & McLennan Companies Inc. (and a former prosecutor), ended his three-year reign. Both were hired to tackle their companies' ethical crises, and their legal expertise was cited as one of their virtues. They were praised for their handling of the legal quagmires, then hounded for months by investors demanding profits. So much for lawyers in red capes.

In some ways the reception that greeted Peter Kurer in April was even worse. Kurer had just been elevated from general counsel to chairman of the Swiss bank UBS AG, and hadn't even had the chance to be elected by shareholders, when the first calls came for his ouster. Luqman Arnold, a former UBS president and now CEO of London-based investment boutique Olivant Limited, blasted his old firm. What UBS needed wasn't a lawyer, Arnold wrote, but "an outstanding

Swiss banker."

So which is it: Do lawyers -- especially corporate counsel -- make good business executives, or is that last year's hype?

It depends. Lawyers can be excellent CEOs. Skilled lawyers are problem solvers, good at taking in the big picture and persuasively communicating strategy. And they're cool under pressure. In our litigious society, they may be just what a company needs to avoid problems. But legal training alone is not the ticket to long-term success in the executive suite. When a lawyer-CEO stumbles, the obstacle is often insufficient knowledge about the day-to-day business. Sometimes the leader is simply more comfortable doing what lawyers do best, analyzing and advising, rather than making tough decisions and galvanizing support that translates into action. Leadership isn't something that can be taught particularly well in law school -- or anywhere else.

David Nadler, who has written prolifically about CEO performance, says that lawyers are "good at crisis management." They're often effective at understanding and managing different constituencies. Nadler, who is vice-chairman of Marsh & McLennan, the giant insurance brokerage, which acquired his executive consulting agency in 2000, adds that the flip side is that generally lawyers are "less good at operations management, less good in people leadership."

When they're hired to put out a fire, and they don't have much training or experience in the business, they may make dynamic firefighters -- but poor leaders after the blaze is doused. "A lawyer frequently turns out to be the right person to run a company in a crisis," concludes Nadler, who worked for Cherkasky until January, "but the wrong person to run the company after it's been saved."

What about Cherkasky and Prince? What went wrong there? In some ways their problems had as much to do with expectations as with the choice of executives.

Like Anderson, Cherkasky began his career as a prosecutor. He worked for

nearly 20 years in the Manhattan district attorney's office, by the end managing about 300 lawyers. From there he took a job at Kroll, the risk management firm. It was a good fit, he says. He knew a lot about running investigations, which was a core business, and he was learning the rest. Four years later, in 2001, he'd worked his way up to CEO.

When he took over, the firm wasn't doing well. But he turned things around. The company grew exponentially, and in 2004 it was acquired by Marsh & McLennan -- with Cherkasky remaining as CEO of the Kroll division.

Three months later, Marsh was in deep trouble. New York attorney general Eliot Spitzer announced that he was investigating the insurance brokerage business and had uncovered evidence of bid rigging. When his office arranged meetings with then-CEO Jeffrey Greenberg, Spitzer was enraged at the unapologetic response he received. He quickly announced that he was considering indicting the company -- and would not negotiate with Greenberg or his team.

At the time, the financial community was still trying to get a handle on New York's aggressive AG. But Cherkasky knew him well; he'd been Spitzer's supervisor in the Manhattan D.A.'s office. They'd grown to be friends and tennis partners. Now his friend was talking about putting his company out of business.

Marsh was quickly running out of options when it played its desperate hand and pulled out Cherkasky. Even though Cherkasky had been CEO of the much smaller Kroll, and only for three years -- and had no experience in the insurance business -- under the circumstances his selection was not only logical but almost obvious. Cherkasky's formula as chief was simple, he says: "Handle the crisis. Don't let the company get indicted. Don't have our licenses taken away." And rebuild trust with regulators, clients and shareholders.

The upside was that the company survived. It agreed to pay \$850 million and change the way it did business. The stock price stabilized. The downside was that a lot of Cherkasky's learning about the

Career-Related Articles

Can Lawyers Fly High in Executive Roles?

(continued from page 6)

business was on-the-job. At least at Kroll the core business -- investigative services -- was a good fit with his background. (And still is: In August he was named CEO of security and information services company USIS.) Insurance, however, was something else. As a lawyer, he says, "you benefit from the presumption that you know what you're doing in the legal area." But for a lawyer-CEO, "there's a presumption that you don't know what you're doing when it comes to the industry issues."

Nadler has written about what he calls the CEO's second act: leaders who are the perfect fit for the circumstances when they're hired, but wrong for the next phase. A better approach when hiring a lawyer to lead a company under siege, Nadler argues, would be to do so for a limited term, with the understanding that the leader will leave when the crisis is solved. It would eliminate complaints about severance and overstayed welcomes. "They would be hailed as heroes," he says, "and leave with a sense of accomplishment."

Chuck Prince's circumstances differed from Cherkasky's, but the results were all too similar. When he was named CEO and chairman of Citigroup in 2003, the bank had a host of legal and compliance issues around the globe, though no company-threatening crisis to match Marsh's. Prince had been Citi's longtime general counsel and was handpicked by his predecessor, Sanford Weill. The lawyer received generally high grades for his efforts to clean up the company's regulatory issues. But then came the second act.

A Citigroup employee in capital markets (who requested anonymity) says the

feeling in middle management was that Prince didn't have the operating experience to run the bank. If Prince had stayed only long enough to realign compliance, "which he dealt with very well," that would have been accepted and even appreciated, the Citi employee says. But Prince stayed long enough to listen to months of criticism about the company's stagnant stock price.

A better alternative, the employee says, would have been to install Prince as chairman alongside a banker as CEO. That way he could have handled compliance, and articulated his strategic vision, without depriving the company of a CEO who knows how to talk to traders. "That would have been the dream team," he says. (Told of this analysis, Nadler agrees that Prince would have had a better chance of success as chairman.) Unfortunately, the Citi employee adds, his company has yet to follow the lead of European banks, which are required to split the jobs of chairman and CEO.

Which brings us back to Peter Kurer, who, unlike Prince, is chairman but not CEO of UBS. Marcel Rohner, a banker, is chief executive, and that seems to suit Kurer just fine. The chairman's responsibilities -- running the board properly, working with stakeholders and management to maintain the proper governance, risk management, and compliance -- are "closer to what a lawyer does," he says. The CEO, by comparison, is "more in the risk/reward position, so you are, by definition, closer to the real banking business."

Kurer acknowledges that his bank's many legal challenges may have been a

factor in his selection, but he denies that it was the overriding reason. "This might have played a certain role," he allows. "But it certainly was not decisive. To manage legal cases, you need a good general counsel. And as long as you're chairman, you should keep yourself out of managing legal cases."

The bottom line? Lawyers can be effective leaders of companies -- if they've acquired the necessary experience. Legal training may well be helpful, and shouldn't be viewed as a disqualification. But it's rarely sufficient by itself.

Lawyers are sometimes lifesavers who can resuscitate a company in legal extremis. But when a board calls upon one to take on such an assignment, it would be wise to frame the job as temporary -- set to expire when the crisis does. Few lawyers can be expected to survive past the first act, and all parties suffer when they fail during the second.

The airline industry has proven, however, that the lawyer as leader is not just a fluke. Too many have demonstrated staying power to write them off as mere aberrations. But the success stories also reveal a pattern. When lawyers are steeped in the business, and are given the opportunity to leave the law department and manage on the operations side, in jobs of increasing responsibility, they may earn a shot at the helm. And when they do, if they succeed, the hand on the tiller will be that of a business leader, not a lawyer.