

## In-House Job Satisfaction

By Anne O'Dell

*Corporate Counsel's* recent report on the job satisfaction of in-house lawyers highlights the lack of opportunity for advancement within most corporate legal departments.

A full 75% of the respondents said their chances of being promoted in their departments were slim-to-none.

According to the survey results, many respondents said they have made advances in their careers since transitioning to in-house positions. Still, they feel opportunities for further promotion are unlikely to emerge.

Despite these troubling statistics, most in-house attorneys report extremely high rates of satisfaction with their jobs relative to those of other legal professions.

Ken Dau-Schmidt is the Willard and Margaret Carr Professor of Labor and Employment Law at Indiana University's School of Law. In the school's quarterly publication *Bill of Particulars*, Dau-Schmidt noted, "The law is known as a rewarding profession, but how are these rewards distributed? And do some members of the profession reap more rewards, both financial and psychic, than others?"

In a recent empirical study he conducted with co-investigator Kaushik Mukhopadhaya, a postdoctoral fellow in economics at Emory University, in-house lawyers reported both high incomes and high job satisfaction—the latter highly uncommon among other types of lawyers.

If in-house lawyers report that they are happier in their jobs than are law firm associates, what is the reason for this disparity?

"The work, for one," writes attorney Thane J. Messenger, a guest columnist for FindLaw.com.

He notes that the work in-house attorneys do "is usually front-line stuff, and the work is usually more directly connected to a positive goal, rather than to a redistributive one. Benefits are usually excellent."

Most significantly, Messenger continues, "It usually consumes less of one's personal life. Evenings and weekends are usually free."

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Or, as lawyer and humorist Sean Carter quipped in a *California Law Business* column, “Once you go in-house, you get to keep your spouse.”

Carter also offered some speculations on the reason for the higher job satisfaction of in-house lawyers.

“An in-house lawyer may deal in several different areas of the law in a single day—intellectual property, employment law, real estate, and even criminal law.

“Lastly, as in-house counsel, you are more than just a lawyer. You are a business executive. As such, you are expected to make legal judgments as well as business judgments, and part of your duties is to manage employees. This can be challenging, but it also can be very rewarding.”

Still, in spite of high percentages of satisfaction among in-house attorneys, discouragement over most legal departments’ “pyramid structures” and slow growth have most convinced they will need to seek employment elsewhere if they are ever to be promoted and achieve higher salaries.

The problem becomes even more apparent when the attorneys in question are minorities and women.

According to a report by the American Bar Association’s Commission on Racial and Ethnic Diversity, “Minority and women lawyers make up a small percentage of top- and mid-level management positions.... Though they may be very experienced and produce great work product, [they] are often less senior in terms of years and exposure in the legal department.”

While job performance is the most important factor in earning a promotion, the Commission report admits, “Performance alone will not win a promotion.

“Relationships, personality, and time with the company play vital roles. When a manager decides to leave, the general counsel or the departing person’s manager will likely ask the departing lawyer or other managers who they think would be the best person for the vacated position. These lawyers, often white males, will then make recommendations.”

Noting that most attorneys in upper management are white males, the report concludes, “There are very few promotion opportunities in-house, absent a department restructuring.... Quite often, there is no internal interviewing or other process that provides opportunity for

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others in-house to compete. This lends itself to retention problems for lawyers looking for promotion opportunities.”

Monster.com’s survey of lawyers found that in-house attorneys display a higher rate of turnover than private practice lawyers. Low salaries, “companies’ lack of appreciation,” and a void of promotional opportunities were cited as the most common reasons for in-house lawyers’ wanting to leave a company.

Stopping turnover and increasing retention should be a priority for every corporation’s general counsel. According to Michael C. Ross, former general counsel at Safeway and guest writer for *GC California*, every in-house legal department should maintain “a well-considered set of criteria for periodically measuring attorney performance.”

To increase retention and employee morale, performance reviews should be conducted at least annually. However, evaluations alone are not enough.

“Consequences are critical,” writes Ross.

“Failure to pay for top performance—and, by the same token, not pay for poor performance—will lead to dissatisfaction among the best attorneys, precisely the ones that a company wants to retain. Many attorneys want or need opportunities for advancement—either within the legal department or elsewhere in the company.”

Because of the difficulty of finding promotion opportunities within a legal department, Ross suggests considering promotion in another department before an employee begins to think about a position in another company or firm.

“Because of the steep pyramid structure of many legal departments and the specialties of the attorneys, it is...very important for legal management to be mindful of attorneys’ ambitions and for company management to seriously consider attorneys for nonlegal positions.”