

In-House Lawyers: Cubicles Versus Offices

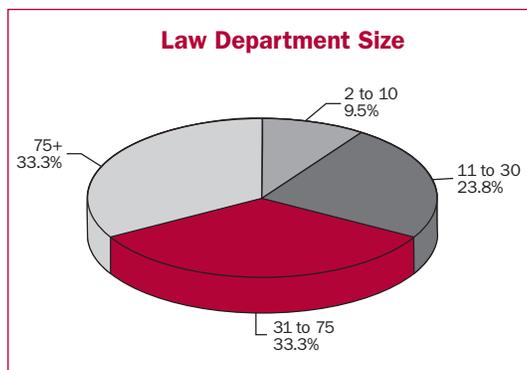
By Daniel J. DiLucchio

During the late summer of 2004, an uncommon number of law department managers began asking the consultants at Altman Weil, Inc. about the use of cubicles as working space for lawyers in corporate America. It appears that corporate-wide space efficiency and cost cutting measures are causing a number of corporate law departments to consider moving some or all of their lawyers into cubicles.

Part of this effort appears to be driven by a concern for equity, as many business managers and executives are moving, or have moved, to cubicles. Business members are clients of the law department. Therefore, there is concern that some animosity might be created if lawyers, with equivalent status within the corporation, are in private offices, while the business clients are in cubicles.

To discover any potential trends in the office space arena, Altman Weil conducted a survey of 223 U.S. corporate law departments in July 2004. Responses were received from 68 of those surveyed, for a response rate of 30%. Chart I shows participation by size of the law department, based on the number of lawyers.

Chart I



Use of Cubicles

According to the survey, nearly one-quarter of the lawyers in corporate law departments in the United States work in cubicles, or in some of

these organizations, some work in cubicles and some in offices. In some of the reporting companies, all of the lawyers are in cubicles. In contrast to lawyers, 51.5% of paralegals work in cubicles; 16.7% work in offices and the remaining 31.8% report a mix of offices and cubicles. Chart II on page 4 provides an analysis of where lawyers are working.

The size of the law department appears to make a difference. In 24% of the responding law departments of 31 to 75 lawyers, some of the lawyers are in offices and some are in cubicles and 5% use only cubicles. In law departments of 2 to 10 lawyers, 17% are in cubicles, while only 5% of the law departments with more than 75 lawyers house all the lawyers in cubicles. Fourteen percent of these larger law departments report using a mixture of cubicles and offices. Interestingly, in these larger law departments, 60% of comparable business unit members reportedly work in cubicles, while the lawyers work in offices.

Office / Cubicle Equity

While most lawyers do not work in cubicles, all respondents to the *Flash Survey* reported that at least 45% of comparable business unit members work in cubicles, while the lawyers work in offices. Although there is some concern about this discrepancy, only one survey respondent said that clients resent the fact that lawyers are in offices. Not one respondent said that client relationships have been adversely impacted by the office arrangements, and for 76% of the survey respondents, office/cubicle space has not been an issue. There are, however, some other issues highlighted by the survey. The following comments were provided and reveal some other interesting perspectives:

- “Not an issue between lawyers and clients, but more an issue between lawyers in cubicles and lawyers in office.”

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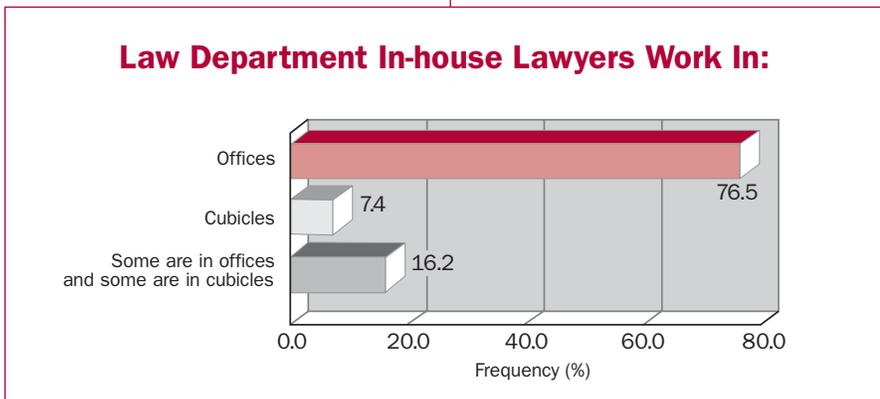


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“...the need to move to a cubicle arrangement is not a detriment to effective and timely client service...”

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Chart II



- “Some clients may resent it, but it does not impact working relationships.”

These two comments seem to reflect the underlying rationale for concern about the office space issue:

- “There is currently a company-wide moratorium on the construction of new offices. At such a time as Law needs to build offices, an issue will develop.”
- Building policy may dictate cubicles for everyone.”

Cubicle Lessons Learned

Not one of the law departments that have moved lawyers into cubicles report seeing a resulting decrease in productivity. Of those reporting cubicle use, 60% say that productivity has remained the same, while one law department reported that productivity actually increased. There are significant downsides of using lawyer cubicles, reported by the respondents. One downside included more difficult lawyer recruitment and retention, reported by 27% of the survey respondents. Two of the responding law departments said that lawyer turnover occurred because of the cubicle arrangement. Other comments offered on the cubicle experience include:

- “Communication has increased.”
- “Issue appears to be more one of status than productivity.”
- “Our work environment is cubicles with very few offices. We have ample conference room space near the lawyers. Cubicles do not seem to be an issue.”
- “We have worked in cubes for 30+ years with no problems.”

“Not one of the law departments that have moved lawyers into cubicles report seeing a resulting decrease in productivity.”

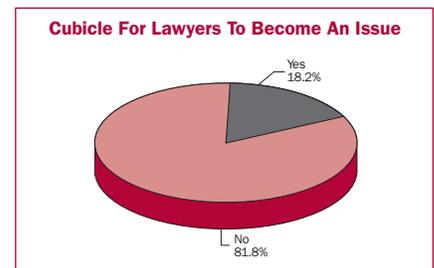
General Counsel have taken specific steps to address concerns about cubicle arrangements. Specific concerns include the need to accommodate space and confidentiality requirements. Seventy-three percent of law departments have added more conference and workrooms. Sixty-seven percent have added filing and storage areas and 47% have taken additional steps to protect security and confidentiality.

The Future of Cubicles

Based on the *Flash Survey*, as well as

the author’s 20 years of experience as a consultant to corporate law departments, it is clear that cubicles have been in use for many years, although a minority of law departments report currently using this space arrangement for lawyers. To determine whether the use of cubicles for lawyers might be a growing trend, the participants were asked, if they have not faced the cubicle issue yet, did they expect that this will become an issue for their law department in the next 12 to 18 months. Chart III provides the tabulated response to this question.

Chart III



Analyzing the results of the survey, we find that 7.4% of law departments are employing cubicles now, 16.2% have some lawyers in cubicles and some in offices and 18.2% expect to face the cubicle issue in the next 12 to 18 months. Extrapolating from these responses, one might reasonably conclude that 30 to 40% of law departments might be employing cubicles as office space for their in-house counsel in the next few years. Drawing on the experience of successful law departments, as well as careful planning and execution, can ensure that the need to move to a cubicle arrangement is not a detriment to effective and timely client service, should that become a corporate mandate. ♦

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