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UK's Top 100 law firms turn to flexible working to weather recession

- **44% offering secondments**
- **40% offering part-time working**

The UK's Top 100 law firms are weathering the recession by introducing more flexibility in working practices, with 44% offering sabbaticals and 40% offering part-time working to their employees, reveals research by Sweet & Maxwell, the legal information provider.

Sweet & Maxwell says that HR departments of the UK's Top 100 law firms have had to go through a radical re-evaluation of their staffing policies to avoid making further redundancies as the recession deepened following the collapse of Lehman Brothers.

Sweet & Maxwell asked HR Directors of law firms what measures they have implemented to reduce costs whilst avoiding making staff redundant.

According to Sweet & Maxwell's research, 36% of law firms said they have pay cuts under consideration to reduce costs. However, only one firm reported that it has actually gone ahead with pay cuts.

24% of firms have put salary freezes in place, with 60% of firms saying that this options is under consideration.

Sweet & Maxwell says that although a large percentage of law firms are considering pay-related measures, they are the measures least adopted by firms so far. Sweet & Maxwell explains that cutting wages is a step that can be extremely detrimental to staff morale and so firms are holding the measure back as a last resort.

Measures implemented or under consideration by commercial law firms to reduce the impact of the downturn		
	Action taken	Under consideration
Offer Sabbaticals	44%	16%
Offer temporary internal secondments	52%	24%
Offer part-time working	40%	35%
Ask trainees to defer start date	36%	32%

Offer to retrain lawyers for other practice areas	42%	28%
Put in place salary freezes	24%	60%

The most common measure is to offer their lawyers temporary internal secondments, with 52% of respondents saying that it is now part of their HR policy to move lawyers from practice areas that have lost work into busier departments or geographical areas. However, Sweet & Maxwell says this has not always been a practical solution as clients now demand such highly specialised knowledge and experience from their lawyers.

The second most common measure is to offer lawyers sabbaticals, with 44% of the Directors saying that their firm has promoted this option to their lawyers. It appears that offering sabbaticals is the one of the least contentious measures, as only 16% of firms have this option under consideration but have yet to implement it.

The third most common measure is to offer to retrain lawyers in other practice areas, with 42% of firms having adopted this, and 28% considering it.

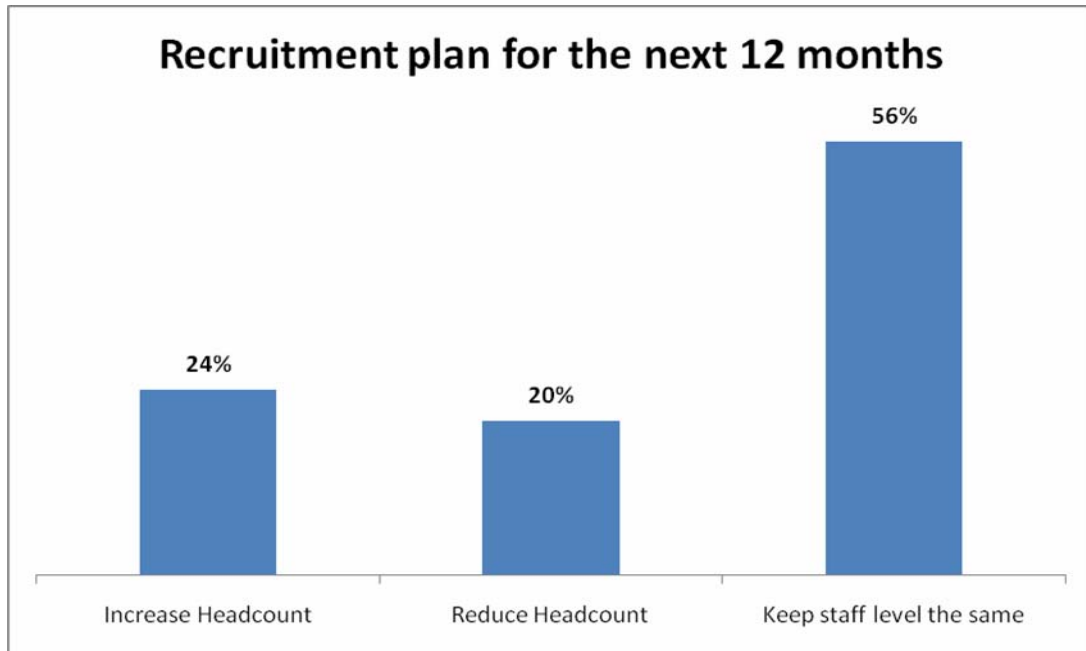
Offering part-time working was adopted by 40% of respondents. A further 35% said that this option is under consideration.

Headcount targets

Sweet & Maxwell also asked HR Directors what the plan is with regards to their headcount. Although 20% said that they plan to reduce headcount, a larger percentage, 24%, said that they plan to increase their headcount, while the majority 56% said that they plan to keep headcounts the same.

Sweet & Maxwell says that the good news is that after the job cuts of the last 12 months those firms that say they may still need to lose staff are in a minority.

The research results suggest that firms have been keen to embrace innovative solutions in their efforts to avoid redundancies and the longer term costs of losing highly qualified staff. With some evidence of “green shoots” starting to appear, the majority of firms now hope to avoid any further aggressive job cuts as the economic outlook clears.



*Sample size was 25 of the UK's 100 largest commercial law firms, including two Magic Circle firms

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Press Enquiries:

Peter Wylie
Corporate Communications Manager

Sweet & Maxwell
Tel: 020 7393 7123

Katerina Papadopoulou or Nick Mattison
Mattison Public Relations
Tel: 020 7645 3636