

Profit mantra puts staff mental health at risk

Alex Boxsell

Whether law firm profit and success comes at the cost of the mental health of some lawyers was the focus of a panel discussion in the Federal Court in Sydney last week.

The discussion, framed around the question: "Profit, success and happiness — can we have it all?" was moderated by broadcaster Julie McCrossin and hosted by the Tristan Jepson Memorial Foundation.

Matthew Stutsel, who spoke about his battle with mental illness and near suicide on a DVD called *Resilience@law*, spoke again of his past at the event. A partner at Freehills before a move to KPMG, Mr Stutsel said after the event that he would focus on education, collegiality and lawyer to partner leverage if he were a managing partner trying to improve the mental health of his staff.

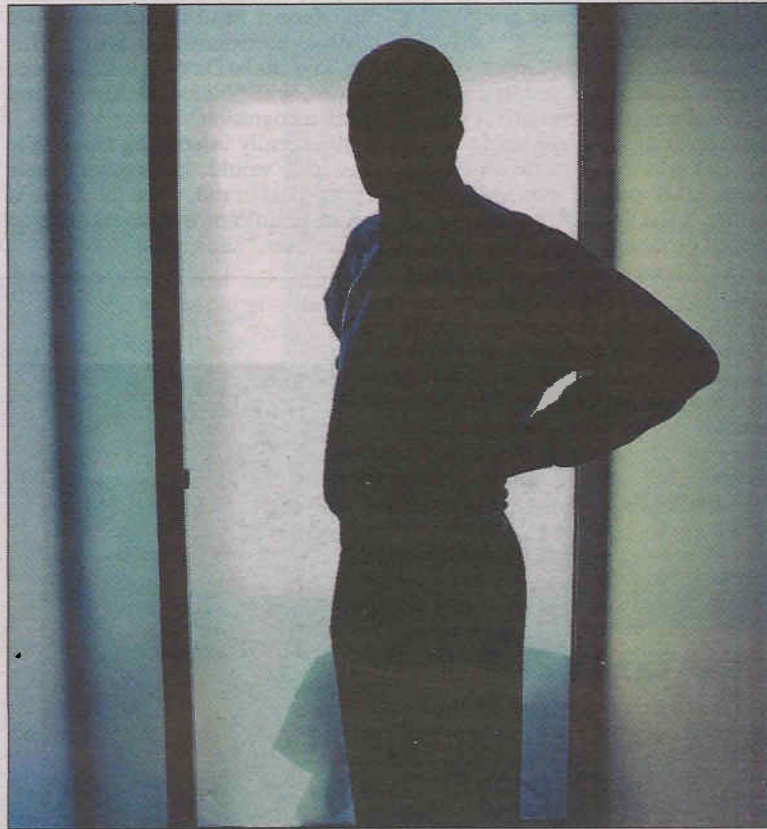
Education was important so those with mental illness were aware of the positive steps they could take to address the situation, he said. Improving teamwork could also avoid feelings of isolation.

"Working in a large law firm can be extremely isolating," he said. "Working in a small firm can be equally isolating. There needs to be more done to promote collegiality."

Increasing the number of lawyers for every partner in a large firm could also help. Mr Stutsel said his move to KPMG demonstrated the advantage of higher leverage models in accounting firms compared with law firms.

"I don't understand why the leverage at Freehills couldn't be higher," he said. "It may mean that initially the profit drops, but the theory must be that in the long term it will be higher."

"And yet it will be a much more satisfying place to work because peo-



Isolation... some lawyers say there needs to be more collegiality. Photo: PETER BRAIG

ple can actually have more time to achieve that work-life balance."

Nigel McBride, managing partner of Minter Ellison's practice in South Australia and the Northern Territory, said the managing partner role could be thankless, because "there is one KPI [key performance indicator] in a commercial law firm... and it's called profit", which determined equity partner pay.

"That model is basically saying to a young lawyer... we've got a lottery

for you: Come in, work hard for 10 to 15 years, don't have a life, you may be one of the very few that get into an equity partner position, where you start to earn seven figures or get on your way, and as you fall across the line into an equity partner role... the fun just begins because you can't take your foot off the gas," he said.

"Then you've got to do that for another 10 or 15 years."

Damian Sturzaker, a partner of boutique firm Marque Lawyers and

Clients should drive change too

COMMENT
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The challenge for managing partners is that any substantial move to improve the standard of mental health of their lawyers may first involve an admission that there are serious structural problems in their businesses.

Large firms have huge resources at their disposal and can afford to create some of the happiest workplaces in the country by lowering billing targets, lifting staff levels in high-pressure practice groups and offering more annual and sick leave.

This would, of course, cost money. Extra costs threaten profit and the ability of managing partners to ensure key equity partners are paid sufficiently well, a particular concern as headhunting ramps up this year.

When it comes to addressing mental health in law firms, managing partners may have too much skin in the game. Their fear of partners defecting to domestic and foreign rivals because of falling profit may keep them from finding the money to improve working conditions, and the happiness, of staff.

It may be that solutions to the high levels of anxiety and depression in law

should be driven by clients, particularly the large companies and government departments that have lucrative legal services panels the big firms covet.

Clients already ask potential panel firms to offer alternatives to hourly fees, equitable briefing of female barristers, legal process outsourcing and even carbon reduction schemes.

It would not take too many government departments, or major banks, telcos or resources houses, to demand a minimum standard of mental health protection from panel firms before real and swift change occurs.

It might also be argued that clients have an obligation to ensure their firms look after their staff's mental health, given client demands for immediate and all-hours advice puts pressure on senior partners to drive their lawyers hard.

Perhaps the federal Department of Health and Ageing could also create an employer of choice for mental health award that deserving firms could promote in their marketing material, in the same manner employer of choice for women awards are given by the federal government's Equal Opportunity for Women in the Workplace Agency.

formerly of Gadens, said Marque was opened partly to change the traditional law firm model.

"When you treat people on a basis that you're measuring them only by time, and not by the value that they give to a particular client or to someone working within the organisation, you're reducing that person to a very low common denominator, and it's a very alienating experience," he said.

HopgoodGanim managing partner Bruce Humphrys said the use of

billable hours would not end in the short term, but efforts could be made to reduce its negative impact.

"There's room within that system to be able to temper it to a point where the person attending work feels that the billable hour requirement they're notionally required to achieve is achievable," he said.

This would reduce the fear many young lawyers had of "the knock on the door as to why they're not actually getting that billable hour mark".