

# ‘The Idea Is Not to Do This Twice’: Mintz Leader on the Fight to Avoid Furloughs, Layoffs

Managing partner Bob Bodian said lawyers and staff are enduring pay cuts to avoid even worse alternatives.

By Patrick Smith  
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Boston-founded Am Law 100 firm Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, like most other major law firms, has been forced to make **difficult decisions** about how to manage the economic fallout of the COVID-19 pandemic.

With solid finances, a fiscal year that ends later than most and an ethos of solidarity, Mintz managing partner Robert Bodian said the firm has been able to make necessary cuts without resorting to job losses. And the idea is to keep it that way.

“Just keeping all our people here was important to us, and from a socially conscious perspective it seemed like the right thing to do,” he said.

Bodian, in an email to the firm on April 10, announced reductions in staff and paraprofessional salaries by 5% across the board, except for those making under \$75,000. He said the firm would also be reducing associate salaries by 10%.

Discretionary bonus payouts have been reduced by 50% for staff and taken off the table for associates. Equity partner holdbacks (profits that will be kept by the firm and not dispersed to shareholders) will now be 40%, increased from the firm’s traditional 30% hold, and monthly payouts to equity partners will be reduced by 10%, with nonequity partners payouts reduced by 5%.

Bodian said even though the firm was able to prepay \$10 million in expenses for 2020 and slashed department budgets to preserve jobs, it was clear that some compensation sacrifice was going to have to be made.

The timing of the firm’s fiscal year-end turned out to be a blessing. Mintz has a fiscal year that ends in late March, so while many firms prepared their 2020 fiscal budgets before COVID-19 wreaked havoc on the global economy, Mintz had a chance to see what was coming and plan accordingly.

Bodian said Mintz, which according to ALM data has seen firm revenues increase by 46% over the previous five years, found both partners and associates willing to absorb short-term cuts to protect the firm.

“No one likes having their compensation cut, but the partners were very team- and firm-oriented



(Courtesy photo)

Robert Bodian of Mintz, Levin, Cohn, Ferris, Glovsky and Popeo.

and wanted to do something that works out all the way around,” Bodian said. “There was no pressure on me to maximize partner equity. There was more pressure to make sure people are treated fairly than to maximize compensation.”

“The feedback from the partners was basically that they are proud to be at a firm like this,” he added.

As for the associates, he said, “it was the widely held belief that the associates would rather take a relatively digestible pay cut as opposed to having colleagues terminated.”

Bodian said he hoped the budget moves would be enough to carry the firm through the crisis.

“The idea is not to do this twice. We really did try to be as reasonable and gentle as we can be with this thing,” Bodian said. “Hopefully, there will come a time when the world gets back to normal,” he added, “and we can restore budgets to pre-cut conditions.”

Even then, there could be some lasting changes to the industry, he suggested.

With virtually all major law firms working remotely, for example, the costs associated with office space are being scrutinized more than ever.

“That is something that I think is going to change,” Bodian said of how firm’s view their



physical footprint. “The legal industry in this country has been behind the trend in flexible office space arrangements. Things like hoteling are common in Europe and with the accounting firms and other industries that are not common in law firms. We are looking at that more closely.”

But the biggest change, Bodian said, could be to the amount of work done outside the office.

“I believe more remote working will end up being a permanent thing to some extent,” he said.

*Patrick Smith, based in New York, covers the business of law, including the ways law firms compete for clients and talent, cannabis law and marketing innovation. Reach him at [pasmith@alm.com](mailto:pasmith@alm.com) or on Twitter at [@nycpatrickd](https://twitter.com/nycpatrickd)*