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Fla. Boutique Rejects Seniority In Favor Of Merit-Based Pay

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As part of a bid to boost entrepreneurialism across its ranks, the Miami-area boutique [Spiritus Law LLC](#) and its BigLaw-veteran founders have recently embarked on a plan to ax its traditional step-ladder pay scale and, instead, base compensation on the contributions of each individual attorney regardless of years of service.

Spiritus Law — which specializes in alcohol and hospitality matters — is restructuring its pay scale to compensate its staff individually on factors including origination, billing credit and an attorney's overall contribution. The firm is also ending use of the titles "associate" and "partner," opting instead for terms like "team manager," "team leader" and "teammate," among others.

For Marbet Lewis, who founded Spiritus alongside husband Robert F. Lewis in 2017, the move stems from her years in BigLaw, spending time at [Akerman LLP](#) and [Holland & Knight LLP](#).

During that time, she said she often struggled to get a seat at the table as a Hispanic woman who didn't have the many years of experience that is often valued in BigLaw, and she wanted a say in her own compensation.

She didn't want that to be the case at Spiritus Law, something that she said meant doing away with set pay scales and fixed salary ranges for attorneys based on years of experience.

"We always had this vision of creating something different than we were used to," Marbet Lewis told Law360 Pulse. "We were very used to BigLaw hierarchy and pay scales that [were] based on years and grade, rather than experience or contributions to a team overall. It was very lockstep in terms of how you advance or even the support that you got or even your ability to really have a say in your own compensation for work that you're providing."

While Spiritus Law still offers a base salary, Lewis said that, beyond that, pay is really what each attorney makes of his or her opportunity. That means a new attorney, who would normally be at the associate level at other firms, could potentially make the same compensation as someone with the years of service that would typically put them at the partner level.

There is no compensation committee at Spiritus Law. Instead, she said that attorneys and staff are free to approach leadership to discuss what they feel they should earn, and to collaborate on a plan so the employee can get to that pay level.

The goal, she said, is to reward self-motivation and entrepreneurial ambition, and to recognize the value of the contribution each person gives to the firm.

That contribution isn't necessarily just billed hours, she said. It could be a service one person provides that Spiritus couldn't offer without them, or it could be something as simple as providing exposure or marketing.

That means the firm's four consultants, who assist in lobbying and regulatory work, are valued just the same as its four attorneys.

"It's about creating a more well-rounded team that enables us all to have lives and not be stuck to our desks," Lewis said. "The value of our team members goes beyond any financial point. We also look at 'What does this person bring to the table in terms of ideas, in terms of collaboration, in terms of teamwork?'"

As for the firm's move to ditch traditional titles, Lewis said it created a more egalitarian atmosphere.

"Even for us when we're dealing with clients, it's easier for me to introduce a new attorney that maybe hasn't been practicing as long as I have, but we have a shared title. We have a shared level here," she said. "So our client is just automatically going to [respect] them more than if I'm introducing them [saying], 'I'm the partner. This person is of counsel or this person is just an associate,' or something like that. We wanted to eliminate the superficial distinction,"

Joe Ankus, a Florida-based recruiter and president of Ankus Consulting, said he hasn't noticed many other firms getting rid of their pay scale and traditional

job titles like Spiritus has, particularly at medium-to-large firms. If the move does catch on, he said, it'll likely be one that stays on the boutique level.

"Boutiques obviously have a lot more latitude, because there's a lot less structure and a lot less of a chain of command that needs to be followed," he said. "If it's going to occur, I think you're going to see it much more prevalent in boutiques. I deal with firms ranging from boutiques all the way up to the biggest and we really still, in the collective, have not seen any significant deviation from the traditional associate/partner dichotomy."

Unless major players in the legal industry adopt fundamental changes to the entrenched revenue model of hourly billing, Ankus said he sees little reason to expect Spiritus-style compensation structures to catch on more widely.

"[Spiritus' changes] may be more consistent with the 'new and improved' version of law firms, but the reality is, at the end of the day, the fundamental structure, management and governance of a law firm is really not going to change," he said. "You're going to have the attorneys who are generating the business and maintaining the client relationships, and you're going to have the attorneys who are servicing those clients."

Instead of alternative pay structures and new titles, Ankus said many of the attorneys he's working to place are concerned with finding a good match in terms of overall compensation, work hours, whether the partnership track is a good fit, and, more recently, the availability of remote work options.

He said it's most important for firms to adapt to the new desire among young associates to work remotely, which Spiritus does, instead of focusing on things like alternative compensation models and new titles.

"There's such a shortage of qualified talent that the idea of remote work being part of the calculus is now a one-way street," he said. "We're not going back. So many people have grown accustomed to being able to work at home or work remotely that this is going to be something which is going to be part of the discussion. And it really is going to be a matter of the associates and the law firms reaching an equilibrium point."

--Editing by Nicole Bleier.

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