

A Parallel Universe: 3 Best Practices in Corporate Talent Strategy

By [LawVision](#) on May 20, 2015

Law firms have often been pegged as slow to change, resistant to embrace new ideas and hesitant to adopt new approaches. The intensifying competitive landscape in the legal industry has certainly raised the stakes, and savvy firms are increasingly open to adopting best practices from outside the legal industry. While some firms are progressively abandoning billable hour requirements for associates, others still struggle with how to keep up with the times.

So what are the talent trends in corporate America? Deloitte recently launched one of the largest-ever studies of talent strategy around the world: [Deloitte Human Capital Trends 2015: Leading in the New World of Work](#). The study included input from more than 3000 companies in over 100 countries and concluded that the most pressing issues are engagement, retention and culture. They also concluded that HR's readiness to address these issues has slipped significantly in the last year. Sound familiar?

Here are three key findings from the report:

- 1. Culture, Engagement and Retention are now the Number One Issues Around the World.** Given recent conversations with clients, this refrain sounds eerily similar to the challenges facing many law firms. Leaders may find some solace knowing that they are not alone in the struggle to address these issues. According to the study, 87% of companies rate this a high priority problem and 50% rate it urgent. Readiness to deal with this issue dropped 43% year over year at the companies surveyed and half felt they are unable to drive the desired culture in their organizations. What are corporations doing to counteract this challenge? One trend is evaluating leaders by their ability to engage people, not just drive results.
- 2. Gaps in the Leadership Pipeline Remain an Urgent Issue and There Has Been Almost No Progress from Prior Years.** The study concluded that there are essentially "haves" and "have not's" in leadership and companies that continuously invest in modern leadership programs far outperform their peers over time. This should come as no surprise, but the question becomes how to bridge the leadership gap in law firms? I have seen a sharp increase in interest among our clients in implementing leadership programs targeted toward "Next Gen" leaders. Successful law firm leadership programs include several elements: 1) Methodically identifying and selecting the right program participants, 2) Developing a curriculum that is narrowly-tailored to the firm's culture, clients, and strategy and 3) Delivering content to participants in a fresh and interesting format.
- 3. Simplification is Becoming the New Mantra.** More than half of the companies surveyed in the study believed their work environment is "highly complex," creating additional costs, reducing engagement and inhibiting productivity. Think about the average evaluation process at law firms: It involves significant partner investment in filling out forms, reviewing assessments, ranking associates, scheduling performance review discussions, delivering information and translating (often awkwardly) the evaluation into tangible compensation rewards. The entire process from completing a task to receiving feedback can take up to 9 months. To an associate that's 9 months of making the same mistake over and over again. Talk about the need for simplification! Research shows that Next Gen lawyers prefer informal, frequent feedback about their performance. Although it's difficult to make the cultural shift required to make this work within a law firm, the simplification efforts can yield huge rewards in productivity. Associates can improve their performance in real-time and Partners are freed from the administrative hurdles common to many law firm evaluation processes.

There is much law firms can learn from corporate approaches to talent strategy. The question becomes how quickly leaders are ready to embrace the challenge.