

Are You Worried About Your Associate Classes? Something Has to Change...

By [Joseph B. Altonji](#) on May 7, 2024

I recently had an “out of body experience” while meeting with a group of young (35–40-year-old) partners who complained intensely about the poor work ethic and, more importantly, intellectual laziness and grade-C work their most recent associate classes. I remarked that they were “the youngest group of people I’ve ever heard complaining about the young people.” Not long after that, another mid-30s female partner, after offering similar criticisms, said “I can’t believe it, but I feel like a grouchy old white guy.” A partner in yet another firm recently told me, “If I ask someone to work past 5:30, they send out their resume.” Unfortunately, these remarks are not confined to a single firm or set of circumstances but are cropping up almost everywhere we go.

Blame Covid and the lack of in-office experience (which continues in many places), blame differing generational ideas around the meaning and value of work, blame a generation raised to feel entitled, blame hiring focused on a range of qualities unrelated to the likelihood to work hard, blame leadership for failing to demand performance (see my colleague Mike Short’s article last week “[The Scariest Chart on the State of the Legal Industry](#)”), or blame a combination of the above and other issues. The fact remains that in the last 12-18 months the perceived or real work habits and attitudes of the most recent classes of associates have become one of the most frustrating and talked about leadership challenges in the industry. These issues are creating additional professional challenges for many firms, perhaps most significantly by placing enormous stress on the cohort of high-performing younger partners who are so often the ones relied on by senior partners, rainmakers *and clients* to actually get the work done. Many of these, while also trying to manage young families, are working long hours, assuming extra stress, and risking burnout. What happens if those partners decamp for better conditions?

Of course, not all younger associates display the behavioral tendencies which are troubling so many law firm leaders. However, enough *do* to leave the impression that there is something radically different about the latest generations, and that these differences are a serious issue for each firm and the industry. There is clearly a growing cultural issue around this topic, and it is also fueling worry for the futures of many firms. If young lawyers are unwilling to put in the time and intellectual effort to do what is needed, or the “extra time” needed to invest in the significant range of soft skills and tasks ultimately needed to be a highly successful partner, just what does the future look like? And what can any firm do about it?

We don’t pretend to have a magic bullet solution for this complex and widespread challenge, but we can suggest that 1) firm leadership teams should begin to think differently about how they hire, develop and manage their people and 2) getting the talent equation right will be a significant differentiator for firm success. We can also offer a few thoughts and suggestions around approaches to consider, at least to get the discussion going.

Some Thoughts on Addressing this Issue...

Manage Hiring Differently: The knee-jerk reaction of many partners, when discussing this issue, is to suggest that their firm needs to do a better job of hiring. Accompanying this sentiment is frequently a suggestion that the firm needs to “get back to basics” on hiring criteria, move away from a lot of trendy considerations, and only look for hard-charging, high performing people. Great idea, but there is nowhere near enough of them to meet the hiring needs of today’s firms. So

inevitably you will be forced to take chances on people. Do the best you can, make expectations (broadly defined) abundantly clear, and manage people carefully. If you get people who are not committed to excellence, weed them out early.

Clearly Articulate Expectations: Law firm leaders need to demand and reward excellence in work performance, and make it clear that success, and related monetary rewards, will be linked to a range of performance factors that go beyond simply putting in a 40-hour week and going home. Client service industries will always demand that the service-providers the clients rely upon most must be available well beyond normal business hours, and people who expect to earn three times or more the average US salary during their first year of work (with no real experience) should expect to go beyond as well. This doesn't mean there can't be a work-life balance, but that can't mean that "balance" *always* works out for the convenience of the lawyer. Then, when you are working, you need to do your very best. What counts as a "pass" in law school is not enough to impress in the real world.

Get Back to the Office. Now!: Hard to believe but many firms are still struggling with this. Yes, you can get tasks done working remotely, but you can't build your firm's future that way. Louis Gerstner made the case very effectively in his April 25th *Wall Street Journal* article, "[Remote Work is a Leadership Killer](#)", that you can't build management and leadership skills working remotely. Law firms can't survive long term if you can't build effective leadership and management skills. The conclusion – require that at least on-track associates work in the office (or be with clients, in court, etc. when appropriate) all or at least most of the time. Make it clear to the partners that they need to be there too – at the risk of lower compensation if need be. (Yes, special circumstances need to be managed, but these should be the exceptions, not the rule.)

Rethink Associate Compensation Systems: It's probably time to *completely* move away from associate lock-step salary progression, and toward a more value-driven compensation approach that pays people more in line with their value contribution, performance and effort. Simply linking bonuses to hours has not been nearly as effective as many hoped. There is no performance incentive in a bonus program that starts at 1800 hours if an associate is tracking to 1600. If the associate is in good standing at 1600, they will view it as 200 "free hours" to the firm before the bonus kicks in. Then, it's a limited incentive even for those who are close to the threshold if the "per hour, after tax" bonus number is perceived to be too low. ("I'm not going to put in an extra 100 hours for a \$5000 bonus...") More importantly, such approaches tend to reinforce the transactional nature of the associate-firm relationship. "I do X, you give me \$Y." When a competitor comes along with a sweeter offer, it's easy to leave.

Restructure Your Work Force and Hiring Processes: Many firms have created, or at least experimented, with a "two-track" associate model, with some lawyers not being on partner track, having lower hours and compensation expectations in exchange for a steady and predictable contribution. For firms with sufficient scale to institutionalize the program, consider creating a more formalized model that hires specifically for this type of work, trains people for it, and has its own set of expectations and results. Consider being even bolder and making it clear to new hires that their first three years of employment will be a period of intense scrutiny, development, management and testing, and reorient the associate development process around a *much* more intense multi-dimensional development program. Then, based on the individual lawyer's work effort, quality, commitment to development of their entire skill set, and other factors, at the end of three years offer them either 1) continued employment as an on-track associate, 2) continued employment as a staff attorney (or whatever non-track title) that has more modest time expectations (even 9-5?), moderated income opportunities, etc. or, 3) give them four months to find new employment, with assistance from the firm wherever possible. This would not be a competition for a limited number of spots – everyone who meets the expectations could continue as an on-track associate – but it would be a clear statement that the firm expects the associate to perform.

Rethink Promotion Timelines: Malcolm Gladwell, in his book *Outliers*, talks about the need to spend 10,000 hours at any task to excel. Highly successful lawyers need to excel in multiple lanes, starting with really learning to be excellent in some area of law. It should be blindingly obvious that those young lawyers who consistently put in 2,400 hours or more a year into real work (billable plus investment efforts) will build their skills far faster than those who put in 2,000 hours or fewer each year. By year five, the first associate is at least a year ahead of the second, other things being equal. So, what if minimum time to partnership was linked more to minimum time put into the job – including a measurement of both the billable effort and the other skills the firm considers critical to success?

These are just a few things firm leaders might consider as they wrestle with a complicated but increasingly problematic challenge. Some ideas won't work for your firm, and some may force you to address market competitive issues, but the key point is you should be focusing on this issue now and thinking outside the box, before it gets worse. Solutions begin with engaging in a dialogue with the youngest generation of lawyers. Understand what makes them tick – but also make sure they understand what you expect and are looking for. Along with this, seriously engaging with your partners around what the firm needs from them on associate engagement and development would also be valuable.

We are in the early phases of dealing with a challenge most law firm leaders (and most of us consultants) do not fully understand. Rather than throwing up our hands and writing off a generation of associates based on generational biases, we would all be better served by rethinking how we manage talent into the future.

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