

# How to Increase Associate Retention: Four Simple Ways to Improve Associate Satisfaction

By LawVision on October 23, 2012

With <u>median first-year associate salaries dropping to 2007 levels</u> and average education debt for law grads at private schools <u>increasing to \$125,000</u>, it seems hard to imagine that mid-level associates are actually happier with their jobs than they've been in years. But they are.

A recent <u>American Lawyer survey</u> asked associates to rank their firms on a scale of 1-5 in the following categories:

- 1. How interesting the work is
- 2. How satisfying the work is
- 3. Benefits & compensation
- 4. Associate relations
- 5. Partner-associate relations
- 6. Training & guidance
- 7. Openness regarding finances
- 8. Communication regarding partnership
- 9. Realistic billable hours
- 10. Attitude toward pro bono
- 11. Likelihood of staying two years
- 12. Overall rating as a place to work

The results? Mid-Level Associates are actually more satisfied than they've been in years.

### But Do Managing Partners See Things Differently?

Despite increasing associate satisfaction, Managing Partners I speak with express increasing concerns about losing top talent – especially women and minorities – to in-house positions. I recently conducted an informal survey of 17 Managing Partners at mid-size firms and found that in-house departures accounted for 91-100% of unwanted associate turnover at nearly thirty percent of the firms.

### Four Simple Things Successful Law Firms do to Improve Associate Retention:

### 1) Listen. Plain and Simple.

"We have two ears and one mouth so that we can listen twice as much as we speak" Epictetus

How would associates rank your firm in the 12 areas listed above? If you don't know, ask. Associate focus groups, interviews and surveys are invaluable tools to understand what keeps associates up at night. The best feedback comes from a confidential process wherein associates can offer candid thoughts and reactions without the fear of retribution.

# Lawisien

Listening to associates can have small but powerful outcomes. One firm replaced its laptops after learning that associates found them heavy with a tendency to crash. The result? Increased productivity. The same firm also learned that associates didn't like the firm's pens and ordered new ones- Even small gestures can go a long way.

# 2) Demystify Partnership.

Associates want clear expectations about what it takes to become partner. Many feel like the partnership ladder has been pulled up in response to the current economic realities facing law firms. Be honest and help them understand partnership criteria at your firm.

Top performers like to make concrete progress toward a tangible goal. Without actionable criteria, it's more likely that they will seek opportunities outside of the firm with defined expectations and a clear path for advancement. Let them know what they're shooting for and how to get there.

## 3) Get Into the Numbers.

Post-Dewey, associates want to know that they're betting on the right horse. Beyond the practice of law, teach them the business of law. Associates want to feel in control of their own destiny. They want to know what makes the firm tick.

Educate associates about utilization, realization rates, overhead structures, leverage and profitability. Mini MBA programs, like the one started at <u>Cleary Gottleib Steen & Hamilton</u>, are gaining in popularity. Cleary's <u>significant</u> <u>investment</u> includes a mix of speakers and programing from consultants, firm attorneys, clients, professors, financeindustry trainers and economists. But efforts to beef up associates' business acumen can also start with small efforts like training sessions and brown-bag lunches.

## 4) Take it One Step at a Time.

Changing the way you look at associate retention isn't easy. Buying new laptops and pens won't ensure that your future firm leaders won't leave to work for your top client, but little changes can go a long way to making associates feel valued and appreciated.