

The \$200,000 Mistake Law Firm Leaders Can't Afford to Make

By [LawVision](#) on April 23, 2013

If preventable errors lead to \$200,000 worth of technology equipment disappearing from a law firm, dire consequences would ensue. At a bare minimum, the firm's leaders would revisit the policies and procedures that failed to retain their valuable assets. If there were undetected but detectable signs leading up to the disappearance the wrath would be even more severe.

Why is it, then, that underlying issues creating unintended lawyer departures often go overlooked, discounted or ignored?

Considering training time, recruiting time, headhunter fees, lost productivity, internal resource reallocation and client interruption, the negative financial impact of an unintended lawyer departure is estimated between \$200,000 and \$400,000. Increasingly, however, I've noticed that law firms are failing to pick up on signs of underlying engagement issues.

Here is an example: I was recently assisting a law firm interested in improving their internal management and operations. As part of the project, I conducted associate interviews and focus groups. In addition to discussing operational issues, the associates to a person wanted to share their concerns about the firm's changing culture.

The associates had incredible respect and admiration for the partners, and deeply missed interacting with them: Something had changed at the firm. The social interaction and "open door" atmosphere had disappeared over time as the firm grew. To compound the issue, a series of small, inexpensive to fix but highly visible (to the associates) office issues compounded a sense that the firm did not value its people. As a result, associates felt unappreciated, unmotivated, and wondered about their future at the firm. Although the partners were starting to notice slight productivity issues, they didn't anticipate how few of their top performers expected to be at the firm 5 or 10 years down the road.

Although I've written about associate engagement in [previous posts](#), this project was a stark reminder of how important confidential associate interviews and focus groups can be. The up-front investment of providing a confidential, safe environment for associates to voice their concerns can reap incredible rewards. In this case, the associates provided numerous inexpensive suggestions on how to increase associate satisfaction- All they needed was a confidential forum to share their concerns.

Law firm leaders protect investments in their resources. Guarding \$200,000 in technology equipment is a justifiable expense – Human capital should merit the same protection.