

# Winning the War for Talent with Your Practice Groups – Part 1: The role of Practice Groups (and Practice Group Leaders) in preventing the "Great Resignation" at your firm

By Susan Raridon Lambreth on March 14, 2022

Every week, there is an article about the Great Resignation or Great Reshuffle called in Big Law. So, how can practice groups and Practice Group Leaders help stop the exodus at your firm and retain your talent?

In 2019, we saw a record-breaking <u>42.1 million Americans</u> quit their jobs. Of course, during 2020, many companies were laying off or furloughing employees. Those with a job mostly held on as there were not as many options for change. However, as 2021 approached, organizational psychologist and Texas A&M University professor, <u>Anthony Klotz</u>, coined the term "great resignation" during an interview with Bloomberg, predicting that large numbers of people would leave their jobs.

According to Klotz, "I knew from talking to my students, workers and business leaders that the pandemic had changed how many people felt about work." Fast forward, and dozens of articles in the legal and general press are covering this disturbing trend.

### **Employees Quitting in Record Numbers**

Last fall, resignation levels across the country were 10 to 15% above the record-setting levels of 2019. According to the U.S. Labor Department, a staggering <u>4.4 million workers</u> quit their jobs in September. And Harvard Business Review reports that employees between the ages of 30 and 45 saw the largest jump in resignation rates, with an average increase of <u>more than 20%</u> between 2020 and 2021. A <u>McKinsey & Co. study</u> from fall 2021 showed over 40% of white-collar workers were "at least somewhat likely to quit in the next three to six months." Similar trends are affecting most other developed nations.

The <u>Thomson Reuters Institute</u> 2022 State of the Legal Market reports that attrition has dramatically increased: "associate turnover rate for all firms reached 23.2% through November 2021 on a rolling 12-month basis." This is significantly above the 18.7% rate experienced in 2019 (the last "normal" year). For Am Law 100 firms, the turnover rate hit 23.7% during the same period. The statistic is comparably high for the Am Law Second Hundred and Midsize firms at 22.1% and 22.0% respectively. Lawyers and other business professionals are jumping from firm to firm – and sometimes back to their original jobs for more money. Klotz calls those who return <u>boomerang</u> employees.

A <u>Forbes contributor</u> calls the Great Resignation "a sort of workers' revolution and uprising against bad bosses and tone-deaf companies that refuse to pay well and take advantage of their staff." In comparison to the corporate world, compensation is not really the issue in the legal profession – and dramatic increases in associate salaries in the past few months only make it less so. Apparently, however, high salaries fail to make up for the other stressors from or dissatisfaction with practicing law or working in a law firm. What should firms and Practice Group Leaders do?

First, there are strategies at the firm level and at the practice group level. At the firm level, you should have high-functioning, firm-wide practice groups with effective leaders. If you do not, that is your starting point. We've addressed



some of the keys to optimizing practice group management in previous posts linked <u>here</u> and <u>here</u>. This is a function of having the right structure, the right leaders (as much as you can), the right communication, and the right leadership development approach. Also, you want to avoid the causes of most <u>ineffective practice groups</u>.

Second, you'll want to ensure that your Practice Group Leaders are guiding the groups and leading in a way that attracts and retains talent. This includes implementing best practices like <u>regular meetings</u> about the <u>business of the group</u>. Each group should also develop a business plan with no more than three goals. Both are hallmarks of successful groups and have a strong tie to lawyer engagement. (Click links above and here for planning post blogs part 1, 2, and 3.)

Third, your Practice Group Leaders must strive to understand what makes their members tick and how to engage their group members. Extensive research on motivation indicates that compensation is an extrinsic motivator with limited long-term impact on retention and job satisfaction. In fact, compensation may even have a potentially negative impact on creativity and innovation.

On the other hand, intrinsic motivators can be like superglue in keeping your people engaged and satisfied at your firm. These include, for example:

- Feeling challenged when working on an interesting legal issue;
- Developing mastery as you increase your expertise in your field; or
- Becoming an essential and valued part of a team when you work on a matter with others.

For excellent reading on this topic, check out New York Times bestseller <u>Drive: The Surprising Truth About What Motivates</u> <u>Us</u> by Daniel Pink.

How can you tap into the intrinsic motivators that have lasting effects on engagement, productivity, and satisfaction? Having empowered practice groups with Practice Group Leaders who know how to engage their members, that's how.

### **Creating Engagement in Your Practice Group**

The <u>Gallup organization</u> has conducted extensive research on engagement, and the results are clear: An authentic employment brand starts with an engaging workplace. According to Gallup, professional engagement is a function of certain critical areas: purpose, development, a caring manager, ongoing conversations, and a focus on strengths. Dr. Larry Richard of <u>LawyerBrain LLC</u>, an expert on engagement in legal organizations, speaks regularly about these and adds one other area: social connection.

- 1. Autonomy or choice: Having some discretion or decision-making over your work.
- 2. Purpose: Seeing the greater good or the value of the work you or your group and firm are doing. Believing that you are contributing to something bigger than yourself. Having a sense of meaningfulness.
- 3. Development: Developing or improving in a new skill, competency, or expertise, becoming an expert in something, progressing in your professional field. A sense that you are making progress.
- 4. Social connections: Having meaningful and authentic relationships with the people with whom you work "I can be the real me," at least with some of them.

### 6 Steps Practice Leaders Can Take



Each of these areas that drive engagement can be tapped into using practice management approaches. Some of the most important steps PGLs can take are listed below:

## 1. Run effective meetings.

Well-organized and executed meetings promote connection and provide information, a critical need during times of uncertainty. Training sessions are important, as well, for developing mastery and competence. Training meetings are important, but they are in addition to, not a replacement for, monthly business meetings. Proven approaches are outlined in the previous blog posts linked above.

### 2. Conduct one-on-one check-ins.

These are critical for building trust with your group members, fostering building relationships with individual group members, and creating social connections. Check-ins are most effective when they are held regularly, and you have created a safe space that is both confidential and authentic. It is important for Practice Group Leaders to know all their group members and their aspirations and goals for their practice.

### 3. Pay attention to work assignments.

When used deliberately and equitably, work assignments can energize teams, create opportunities for growth, help retain diverse professionals, and drive job satisfaction. Happy lawyers and other professionals are more likely to stick around.

### 4. Develop or update practice group business plans.

The process of developing the plan is as critical as the plan itself. During this process, you help your Practice Group move through the four stages of group dynamics. As your group progresses, it becomes more enjoyable for group members to participate. Engagement intensifies as partners and associates discover opportunities to master their competencies, practice new skills, and collaborate with one another. Further, when you ensure that plan goals incorporate members' values, they will be energized by a purpose that matters to them. The plan itself can be used to increase engagement by providing your members with opportunities for autonomy, mastery/progress, and social connection. In addition, the goals in the plan can engage your members' interest in meaning and purpose, especially when they see the group accomplishing something that matters to them.

# 5. Support personal business plans.

These plans follow the practice group plan but should never be used in place of a group plan as they drive more siloed behavior in that case. A personal business plan helps individuals determine where they are currently and where they want to go. Like the practice group business plan, it should provide focus and direction as the lawyer or professional navigates their position in the group. These support meaning and purpose, autonomy, and mastery/progress areas of engagement.

# 6. Provide coaching and feedback.

Coaching is now considered to be one of the most important leadership competencies for drawing out the best in others. Coaching conversations are critical to helping your members enhance their skills and use them with confidence. They can also be a key part of building trusted relationships with your members.



# **Final Thoughts**

These are just a few ideas of how Practice Group Leaders can help retain talent in this incredibly competitive market. Use these to actively engage your most valuable resources. Of course, you want lawyers and professionals who are happy to be part of the firm. Using these steps can make your firm the law firm of choice. You will be able to keep the talent that you want while attracting the best and the brightest of the next generation.

Stay tuned for more posts on this topic and the new edition of The Practice Group Leader's Handbook for Success, a treasured classic by many PGLs who have read it over the years. This book covers some of the topics mentioned above and more. It will be updated later this year, but much of the current book's content is timeless and applies to every PGL getting started in their role or learning new approaches.

The book is currently on <u>sale</u>. Also, if you are a practice group leader or practice group business professional with ideas you'd like to share for the new edition of the book, let me know at <u>slambreth@lawvision.com</u>. I would love to interview you.