

## Year of Rediscovery: Focus 2022 on Your Law Firm Culture and Identity

By [Joseph B. Altonji](#) on December 6, 2021

Well, that's been fun.... We are about to complete the second of two of the most challenging years in law firm history. Yes, economic results have, by and large, been great. Yes, there have been some positive consequences and learned skills arising from the pandemic (does *anyone* still use paper timesheets?) but few would deny that 2020 and 2021 have been probably the two most challenging years in the history of the legal profession, from the perspective of the psychological toll this time has taken on everyone. Of course, most other industries can say the same, which means it has been an incredibly challenging time for law firm *clients* as well. The world has been through the wringer, and we're not done yet. As a society, we appear to be torn between maintaining a "pandemic crisis mode" and learning to live with what will likely be a permanent medical management issue. Law firms must learn to do the same – beginning with focusing on how to establish the next "new normal" for how we act, interact, and behave as organizations.

As *organizations*, most firms have become far more fragile. Having a good year financially can distract people from seeing threatening cracks in the organization. Making it worse, many people seem to have become far more fragile themselves. This all started with the need to leave the office and figure out how to work remotely, but it's evolved into a widespread lack of interest in *ever* going back to the office.

- There are many lawyers who were hired or moved laterally over the past few years and have met in person few if any of their colleagues and have little interest in or incentive to ever do so.
- While most firms, particularly in larger cities, continue to struggle with how/when to insist on some degree of in-person office presence and re-establishing team and firm connections, the amount of time a firm expects its people to spend in the office has become a key hiring and retention criterion.
- At the same time, the "great resignation" has begun to affect firms as well, as older lawyers and staff decide to retire early and younger colleagues decide they want to pursue a career with more personal meaning and are very quick to make a career-changing move. Firm leaders have been under strain, and many are questioning their commitment to continuing in their roles. (See [Who's Worrying About the Mental Health of the Law Firm Leaders?](https://lawvision.com/whos-worrying-about-the-mental-health-of-the-law-firm-leaders/#.YaUQkL3ML0oeeling) by Mike Short). Lawyers everywhere report [fhhttps://lawvision.com/whos-worrying-about-the-mental-health-of-the-law-firm-leaders/#.YaUQkL3ML0oeeling](https://lawvision.com/whos-worrying-about-the-mental-health-of-the-law-firm-leaders/#.YaUQkL3ML0oeeling) massively overworked, and many appear to be facing burnout.
- Meanwhile, firms throw money at younger lawyers and increasingly at staff to keep them in place, raising the cost of providing client service while doing relatively little to change the conditions driving the challenges. The latest reports show that some firms are forgoing even *interviewing* lateral associate candidates in high-demand practices before making offers. In this way, firms are addressing an immediate concern about massive understaffing at the risk of creating longer-term quality, cultural, and financial risks as well as the potential for rapid turnover.

The relationships between lawyers (and others) and their firms are becoming increasingly fragile and transactional, and culture has become a question mark. Clearly, we are somewhere new – but most are uncertain just where that "new" place is, and few are comfortable they are in a better position than they were prior to the pandemic.

We are at the end of the beginning of the COVID era and, while we have emerged from the initial shock of it, it is here to stay. Furthermore, we must position ourselves to be able to endure more surprises like COVID. Therefore, it's time for law firms to re-establish or refresh their identities and culture.

There are numerous current challenges facing law firm leaders, all vying for the attention of leadership, including:

- Managing the continuing challenge of getting people “back to the office” on some basis and dealing with the challenges posed by vaccination policies and concerns.
- Addressing and managing through rapidly rising costs across most aspects of the business, beginning with people.
- Coming to grips with profitability management, which will be a critical component of performance management going forward and dealing with the associated compensation questions that arise from profitability differentials.
- Responding to an accelerating succession challenge in the industry, as senior lawyers leave the profession, perhaps accelerated by the “Great Resignation” phenomena noted earlier.
- Ever-increasing pressures from clients to manage cost and value delivery.
- Growing need, desire, and value to scale, both around the creation of practice depth but also around pressures on fixed costs or variable costs where marginal values decline with scale, including technology, security, insurance, and others, plus the value associated with being able to invest in “better” resources.

The list could go on, and many of the items noted impact firm culture even if they're not directly related to it. Most importantly, overriding all of these and other challenges is the difficulty of getting the firm back to a culturally stable and positive place. Most leaders recognize the need, and many are making modest efforts intended to help make things better, such as beginning to have formal and informal gatherings to begin to reconnect people (even while others are canceling holiday events for fear of the next rise of Covid), rethinking and expanding mentoring and professional development programs, and other efforts. However, few have reached the point where they are focusing directly on reestablishing the firm's culture and sense of identity for the new, post-crisis future. Now is the time to begin thinking this one through, and focusing efforts on building a resilient, positive, and connected new model.

Of course, there is no “one size fits all” answer. However, we can recommend that this focus on improving firm culture form a cornerstone of 2022's game plan for leadership. For starters, here are some areas for consideration that might be common to many organizations, as well as some observations around current activity:

- It's not enough to figure out the firm's “return to office” plan and then just leave the process of reconnecting to chance. Firms need to redesign how lawyers and other team members work together and how lawyers are trained and developed. It's highly likely that, in most firms, the *partners* will need to learn new skill sets around how they work with younger lawyers to maximize the cultural value of the interactions taking place.
- Going forward, consider being far more aggressive around building quality in-person meeting time on a regular basis. Firm retreats including more than just partners, as well as extended practice meetings/retreats with quality agendas, should become a part of the firm's regular planning (and budgeting). Firms that historically only had periodic or occasional retreats (often for budgetary reasons) should rethink their positions on this. It will also be far more important to ensure that these meetings are well planned and meaningful.
- Practice Group Leader (PGL) responsibilities and training should be reevaluated and rethought. In the “new normal” it is probably safe to conclude that these roles will take on a significant new role – that of “cultural connector.” As

such, the selection of the right PGL's should also be rethought. The time of choosing PGL's based on their books of business should be passing.

- Many firms should completely reexamine their talent acquisition, integration and retention strategies and processes to both improve the odds of bringing on the right people as well as keeping them over the long haul.
- Firms will benefit a lot on the cultural side if they make the investments of time and effort needed to build a coherent strategy that is well understood and integrated into the daily lives of the lawyers and other team members. Going further, coming to grips with personal and organizational purpose, while challenging (and still rare in law firms), can also build stronger connections among the team members, even if they don't have otherwise strong personal connections.
- Stewarding the firm's culture must become a primary responsibility of leadership, but it is impossible to steward what you do not understand, and the typical understanding of culture in law firms is anecdotal and superficial. Take the time to look seriously at your firm's culture using systematic assessment tools and use these assessments to set longer-term cultural management agendas.

The challenges we face on the cultural front are not *just* about moving increasingly into the virtual world and having less in-person time with others in the office, but those conditions make culture management harder than it used to be. It is certainly possible to have good/great organizational cultures where most people don't know each other – as many of the largest firms have done for many years. In fact, in some ways, the largest firms have a natural advantage today because they learned long ago how to maintain connections among people who never actually met in person. Many smaller firms have historically been able to rely on direct friendships and personal connections with each other to create a culture that holds the firm together, but these connections are increasingly challenging. In the new world, the key will be to build connections between the people, or distinct groups of people, and the entity itself, based on shared purpose, mission, cultural norms, and values. Doing this will require new skills and enhanced commitment from all firm members, and we urge you to use 2022 to begin building those skill sets.