

Think Tank

Rethink, Reevaluate, Redo? Navigating recruitment and retention challenges in the legal profession

Executive Summary

July 2024

Centre for the Future of the Legal Profession
Law & Justice Building
UNSW Sydney
Kensington
NSW 2052
Australia

Email: cflp@unsw.edu.au

Website: <https://www.unsw.edu.au/research/centre-future-legal-profession>

Follow us: [Centre for the Future of the Legal Profession: Posts | LinkedIn](#)

EXECUTIVE SUMMARY

In May 2024, the Centre for the Future of the Legal Profession hosted its inaugural invite-only Think Tank to identify critical issues surrounding recruitment and retention within private legal practice. We brought legal and business professionals from leading Australian-based law firms together with academics and professionals from UNSW Faculty of Law & Justice, to identify common challenges, share experiences and brainstorm innovative responses through interactive discussions and collaborative activities.

SESSION ONE: CURRENT STATE OF PLAY

Participants examined the balance between recruitment and retention, exploring why some lawyers leave law firms or the legal profession altogether, while others remain.

Recruitment

Firms are continually refining their recruitment strategies to stand out in a competitive landscape. Techniques paused due to factors like COVID and lockdowns have been resumed. These include increasing opportunities for in-person connection, tailored recruiting and onboarding for candidates, and programs to promote greater diversity. Firms are also looking beyond technical skills, assessing candidates for values, mindset and collaborative abilities.

High calibre candidates prefer firms that offer opportunities to build capability and expertise through quality legal work. However, positive firm culture is equally important, fostered through open communication, efforts to promote safe and sustainable working conditions, and inclusive practices, such as involving existing employees in recruitment processes and considering non-traditional candidates to increase the talent pool.

Retention

Lawyers prioritise intellectual stimulation and meaningful work, and firms that emphasise and deliver on these key elements are more likely to retain top talent. But interesting and meaningful work is not enough. Factors influencing a lawyer's decision to stay with a firm include fair remuneration, recognition, professional development opportunities, and a genuine sense of being valued. Career advancement, transparent progression structures, supportive supervising partners and colleagues, quality clients, positive firm culture, and leadership style also play a crucial role.

Conversely, lawyers leave a firm (or the profession) for varied reasons, such as career advancement, new challenges like overseas experience, or dissatisfaction with limited opportunities. Changes in generational perspectives on work-life balance, avoiding negative environments, excessive workloads, and burnout are also factors. Feeling disconnected within the firm, uncertainty about career progression, and shifts in strategic focus or leadership may also influence lawyers to seek change.

While some degree of turnover is inevitable, participants acknowledged the importance of implementing diverse strategies to keep it at manageable and beneficial levels for their firms.

SESSION TWO: IMPACT

The impacts of talent loss from a law firm are multifaceted.

The negative impacts are significant. Unplanned departures can affect productivity, client relationships, the well-being of remaining team members, firm reputation, stability and market position. Maintaining client relationships becomes critical, especially when senior lawyers with strong client ties



leave. Recruiting new talent is costly and time-consuming, involving fees, interview time, and development costs. Losing key talent also affects diversity and depth of firm expertise, requiring time and increased costs to rebuild. Effective management and communication with clients are essential to maintain their trust in the firm's ability to handle transitions and continue delivering high quality work.

On a positive note, growth opportunities for junior lawyers can increase when senior lawyers leave, allowing them to take on more responsibility and develop new skills, which can be beneficial for their careers. Law firms also need to replenish their collective skillsets.

In summary, effective continuity planning is essential to mitigate the adverse impacts of talent loss on a law firm while capitalising on future growth opportunities.

SESSION THREE: MITIGATION

Strategies to address recruitment and retention challenges

Effective strategies to address recruitment and retention challenges in the legal profession encompass both immediate and long-term initiatives.

Creating 'success profiles' to align firm and personal values, recruiting individuals who closely fit these profiles and demonstrate resilience, and setting realistic expectations through candid recruitment conversations are essential. Early career path alignment, strengths-based development, and open discussions about advancement prospects and opportunities are also crucial. Offering alternative career paths, such as rotations through different practice groups and secondments, helps retain diverse talent.

Proactive succession planning and extending retention tactics beyond recruitment help prevent talent loss. Some international attrition will occur, but creating plans to attract and reintegrate returning lawyers may be beneficial. Partners and senior associates could take greater responsibility for recruitment and retention, with senior associates mentoring and sponsoring young lawyers to facilitate knowledge transfer and career growth.

Allocating resources to initiatives that emphasise connection and wellbeing, but also actively addressing these concerns, enhances job satisfaction and inspires loyalty. Handling inevitable departures positively can help build and maintain relationships with alumni, creating networking opportunities and mutual knowledge sharing.

At the university phase, law schools should educate students on legal business models and the economic realities of legal practice, along with essential skills such as emotional intelligence, curiosity, adaptability, problem solving and building client relationships. Increasing firm collaboration with law schools through greater partner involvement would help bridge the gap between education and practice.

Challenges

There are significant challenges facing the legal profession over the next period, particularly in creating more sustainable workplaces, integrating generative AI, and maintaining professionalism. Law firms must align with contemporary work-life balance expectations and provide supportive environments to attract and retain talent to addressing causes of widespread mental health issues in the profession.

The integration of generative AI also presents both opportunities and threats. Firms need to adapt to new ways of working without compromising the role and development of junior lawyers, ensuring that they develop necessary skills and build resilience and adaptability as the profession evolves.



Furthermore, it is crucial that law firms maintain professionalism amidst technological advancement and the pressure to commoditise legal services.

Also, to make law careers more accessible, law firms must become more inclusive, with talent drawn from broader social groups. Gender has rightly been a diversity focus, but other aspects still require effort, including ethnicity, retaining indigenous lawyers, promoting social mobility, and neurodiversity.

One big change...

Finally, we challenged participants to name one big change they would like to make at their firm to tackle recruitment and retention issues.

Suggestions included replacing the billable hour with alternative methods of fee generation to shift focus away from long hours and towards creating more supportive environments. There was an emphasis on the need to recruit and promote individuals who can create value in others' careers. Some participants wanted increased partner involvement in recruitment and retention initiatives, and yet others envisaged fundamentally changing recruitment approaches, such as having younger professionals lead graduate recruitment. Increasing internal opportunities featured, along with more support for those seeking alternative careers, such as in legal operations or pro bono.

Some participants proposed changes to feedback culture at their firms, pushing for earlier discussions about career and retention options. Confronting talent bleeds through open and honest conversations, supporting those who leave and viewing departures as potential growth opportunities were other possibilities. Changing leadership focus to develop high-performing inclusive leaders, exploring alternative remuneration structures that incentivised retention, embracing technological change and leaning in to prepare for generative AI's impact on the future of legal practice, were also recommended.

CONCLUSION

All firms involved in the Think Tank are facing similar hurdles when it comes to recruiting and retaining top talent. The challenges transcend individual firms and are being experienced across the profession.

There was unanimous agreement on the benefits of connecting with peers from other firms. By sharing diverse perspectives, discussing hot topics, and building relationships, participants found new ways to address common problems.

Overall, several recurring themes around recruitment and retention emerged from the Think Tank, including the importance of greater diversity in law firms, fostering more inclusive leadership practices, embracing cultural change and reducing rigidity, emphasising wellbeing and sustainable work practices, more frequent and more honest communication and career discussions, and lack of clarity about the impact of AI on lawyers and the future of the legal profession.

Legal education and expectations about future legal careers begin at law school. Law firms must continue the journey, by creating inspiring workplaces and practices that promote fulfilling legal careers with purpose and longevity.

As one participant aptly put it, 'We're all in this together'. Let's continue to explore opportunities, build connections, and empower the legal profession to evolve. Together we can navigate uncertainty, build resilience, and thrive.

Access a compilation of all Think Tank pre-reading here:

<https://online.flippingbook.com/view/149261497/>



UNSW
SYDNEY