

The laws of happiness

Overall employee satisfaction has increased among lawyers – however, dissatisfaction over bonus schemes has reached a new low.

Vanessa Ip reports



Chadwick and Hadland



Bhandari, left, and Elderton

Lawyers are happier than they were 12 months ago, with fewer employees actively searching for new jobs, according to research by Legal Week Intelligence. Remuneration continues to be a source for dissatisfaction, but is less important to overall happiness than other factors including work/life balance, treatment by partners and career progression.

These findings, based on over 4,100 responses from this year's Employee Satisfaction Report, were discussed at a roundtable held in association with Chadwick Nott on 10 November. Delegates covered a range of topics including best practice, the shifting legal marketplace and how employers must adapt to the ever-changing needs of modern legal professionals.

The modern lawyer

Today's lawyer has a different and arguably higher set of standards. There has been a dramatic change in attitude towards career development, with progressively fewer lawyers seeking to follow the traditional partnership track. Instead, increasing numbers of lawyers are adopting a horizontal approach to career building where the acquisition of new business skills lies at the focus of their development and subsequent happiness. Moreover, in-house

practice is becoming an increasingly attractive option to lawyers who value work/life balance.

Charles Elderton, director of legal recruitment agency Chadwick Nott, said: "There appears to be fewer lawyers whose sole ambition is now to become a partner – they're wanting other things. In-house has always been an area that private practice lawyers have been attracted to, particularly those wanting to get away from the pressures of a law firm. I suppose the grass is always greener, but these pressures have become significantly greater in recent years; constant pressure to deliver, fewer partnership openings on offer and the future uncertainties of the law firm model. To watch the de-equitisation programmes of recent years must be pretty de-motivating if your drive is to become a partner."

Bonus schemes

The debate surrounding bonus schemes – whether firms should offer them or not, whether they should be target or performance-based or how to manage a balance between the two, the implications they have on client satisfaction and service delivery – is ongoing.

Berwin Leighton Paisner head of human resources (HR) Valerie Moncur said of the firm's target based bonus scheme: "Our feedback

was very clearly that associates wanted a structured scheme. The dissatisfaction around bonuses was largely because we didn't have a transparent scheme.

"Historically, we calculated bonuses at the end of the year when we knew what the available pot was, but we've introduced a new scheme that has set out clear criteria so that our lawyers know what they are working towards over the year. Feedback has been good because it takes a balanced approach that isn't solely based on billable hours."

Arguably, bonus schemes are not always compatible with client needs, and the difficult and unanswered issue for firms is over how they can manage the outcome and relationship between client and employee satisfaction.

Firms that do not currently offer employee bonus schemes contend that this type of reward is simply not in the best interest of the client and that employee remuneration must be catered to a client's individual needs. Moreover, the dissatisfaction that may arise from an absence of a bonus structure may be addressed with open communication and regular performance assessments.

Louise Hadland, HR and facilities management director at Shoosmiths, said: "Matter-related time is the most frequently used criteria in bonus schemes, mainly

because it is the easiest to measure. But does that make it right? Does it make it what the client wants? Does it promote the behaviour the client desires? Will this law firm model last over the next 10 years?"

Managing relationships

One of the biggest challenges that law firms face is how to train and develop satisfied employees in a rapidly changing market. Technology has had a huge impact on the way law firms operate, which is one of the reasons why many firms are beginning to introduce client relationship management programmes.

Freshfields Bruckhaus Deringer HR manager Vanita Bhandari commented: "We're focusing on client relationship management and what individuals at every level can bring to each client. We are approaching this globally, but each region is providing its own tailored response across the firm and everyone appears to appreciate having the opportunity to make individual contributions."

For Travers Smith managing partner Andrew Lilly, there is a responsibility for law firms to adapt to this new way of working and prevent technology from getting in the way of opportunities for employees. He said: "Partners have a responsibility to make sure that the life you give your associates enables them to develop their business skills. As one associate said to me recently, you can complete a deal at your desk now so if you're not careful your associates won't have the level of client exposure that they would want.

"When I was an associate, it was more often the norm to be taken by a partner to see a client several times a week. It's important to create these face-to-face opportunities. Most of us have associates who are fantastically good company for our clients – it's one of the best selling points for law firms – and it risks becoming a secret that's kept too well hidden as technology increases."

ATTENDEES

Andrew Lilly, Travers Smith
Celia Staples, Burges Salmon
Charles Elderton, Chadwick Nott
Des Cahill, Legal Week Intelligence
Louise Hadland, Shoosmiths
Nicki Farrant, SNR Denton
Simon Chadwick, Chadwick Nott
Valerie Moncur, Berwin Leighton Paisner
Vanessa Ip, Legal Week
Vanita Bhandari, Freshfields Bruckhaus Deringer

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