

**Edition: August 2019**

## **How to become, and remain, a small law firm employer of choice**

**While smaller law firms often bemoan their inability to recruit the sort of elite talent they desire, they actually have a rare opportunity to turn this around if they pursue smart strategies, writes Rob Knowsley.**

I recently set aside some quality time to write this fifth article in my series\* for *ALMJ* and had been planning to address how cashflow problems can cruel even profitable firms.

However, just as I was about to close my messages so I could focus on writing, one last email sneaked in from *Lawyers Weekly*, delivering a feature article about satisfaction with law firms being at a five-year low. I thought it may have been client-focused and, as I am easily diverted, I started to read the piece. It turned out to be about employed lawyer satisfaction in their jobs, an equally important topic.

Hardly a day goes by that I do not have a discussion with someone in a law firm bemoaning their difficulty in getting and keeping good legal staff. Often the discussions contain aspects of the old chestnuts: “The sort of lawyers we need just aren’t out there”, or “A firm of our size can’t pay enough to get the right sort of people here.”

### **Clear message**

There were no comments posted in response to the article at the time, and I posted the following sentiments:

#### ***Anonymous***

*“Not rocket-science ... far too many law firms of all sizes don’t invest enough grey matter into creating excellent workplaces in which team members can excel, be well-rewarded way beyond mere salary, and lead satisfying professional lives. The Gordian knot for many law firm ‘leaders’ (I really hesitated before using the term!) is that they cannot figure out how to have the right culture and be small-medium law firm employers of choice, and still have the practice owners making a proper return themselves...both salary package for working in the firm and genuine profit. Paradoxically, for*

*otherwise intelligent people, their management lives are run on unchallenged assumptions. Look out small law (and lots of BigLaw), change has been rampant, but it is rapidly accelerating. Look, listen, experiment, adapt and, yes, ... even innovate! You must, or your practice will no longer have an employment and retention problem...the practice will not exist. Most lawyers do not adapt easily and are not agile, so those who do, and are, will have the new environment largely to themselves, and real talent will no longer be hard to find and hard to keep!"*

Note that the comment was attributed to 'anonymous', despite me posting it under my own name. Maybe the comment was considered by the moderator to be so radical, so offensive, or so 'something', that my name was gratuitously changed to 'anonymous'. It got my dander up, and this article is the result (cashflow dramas in otherwise profitable law firms will just have to wait for a future issue).

In my experience, small law firms can become employers of choice if they follow a strategy that reflects the following fundamental understandings:

1. Productivity, of the team members themselves, has to be good enough to allow for powerful and creative remuneration and benefits packages that are needed to attract and retain quality team members.  
A lot more thought has to be invested into planning what strong productivity looks like for each individual, and paradigms involving target multiples of fees to salary should be discarded altogether.
2. In utilising resources, there has tended to be a gross over-focus on contribution through direct fee generation. Almost always, mere lip service is paid to other useful contributions in planning and assessing 'performance'. Far from non-billable time (or what I call FirmTime™) being assumed as low-value 'other time' that cannot be made billable, it should be front and centre, and allocated (in both volume and focus) after careful consideration of the individual's interests (e.g. in supervision, mentoring, business development, service efficiency/AI efficacy) and the firm's business plan.
3. Individuality in the team member skills mix – related to what each person can best bring to bear on execution of each firm's business plan – is largely ignored.
4. Worthwhile team members with the right mindset desire clarity in the firm's expectations of them, and are happy to be accountable. The employer and employee must be clear on the plan, and clarity around the ongoing execution of the plan, and outcomes, ensures much greater achievement of much smarter plans.
5. The drivers of job satisfaction for each team member are different, and go well beyond more money. They change over time, as people move through stages in their life and career. The firm must work with each team member to be aware of what the drivers are from time to time to maximise satisfaction, which is just the other side of the 'productivity' coin in high-quality people.

6. A firm that invests time into understanding job satisfaction drivers, and working out a great match between those of each team member and the remuneration/benefits package crafted for each of them (and thereafter consistently 'walking the talk'), cannot help but become, and remain, an employer of choice.

A firm that properly handles these challenges, and inherent opportunities, will understand that it needs to pay attention to the practice's satisfaction drivers, without having to observe a team member having had an epiphany after a Himalayan trek on their last period of leave.

***Rob Knowsley is the principal of Knowsley Management Services. He is a high-performance coach and facilitator with four decades of experience that has been dedicated to assisting law firms and their individual lawyers and managers as they seek to maximise their return on investment from reasonable inputs of time, money and other resources.***

\* Rob's previous articles in this series have dealt with:

# [The critical interplay between people management, productivity and profitability](#)

# [The relationship between profits and fair, reasonable and proportionate fees](#)

# [A message to all small law firms – as principals, you need to make a profit](#)

# [Staff turnover hurts, but beware of keeping people at all costs](#)