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‘The Great Resignation’ is a moment of truth for law firms

In the post-pandemic world, law firms that can’t maintain or build trust with employees and clients can expect an exodus that will shake the foundations of their businesses, writes Trish Carroll.

“The Great Resignation”. Google those three words and you’ll get 1,560,000,000 results in 0.52 seconds. Those three words are sending shivers down the spines of many law firm leadership teams as they prepare themselves for a resignation tsunami.

It’s fair to say that before the pandemic most law firms operated on a one-size-fits-all model, with minor adjustments, for their workforce. As we emerge from our cocoons, many firms have returned to expecting a return to some semblance of a pre-pandemic normal in the way people choose to work. Not so. After many months of working differently, the rush back to the old days is not going to happen.

Social disconnect

One of the upsides of no longer working in an office is that it forced a level of introspection that led to people questioning work-life models. From numerous discussions I’ve had with lawyers, working from home made them realise how disconnected they were from their children, family and communities. It threw an intensely bright light over the imbalance of practical responsibilities involved in running a home, caring for family, and parenting. That Faustian bargain they voluntarily entered into at work now seems incompatible with their desire to be better humans, parents and life partners.

Maslow’s theory of human motivation, at least for highly skilled knowledge workers such as lawyers, has been turned on its head. Self-actualisation – being the desire to accomplish everything that one can be, to become the most that one can be – is now an overwhelming need that’s been super-charged by COVID-19.

The shift doesn’t stop there. The alignment of personal values with employer values is now a much bigger element in people’s choice about where they want to work. There is a growing expectation that law firms will use their social licence to lead positive change, such as addressing climate justice, human rights, First Nations people’s issues and inequalities.

Just as there is a growing swag of people who will only invest in ethical funds, so too is there a growing swag of lawyers and clients who prefer to work with law firms that have values aligned to their own. This change is not restricted to the 'young' – it's widespread and growing, fast.

Trust to the fore

If law firms are facing abnormally high resignation rates, so too are their clients. When you put potentially thousands of relationships into a Thermomix, it's going to get messy. Just how messy will depend on the quality of the relationships you've formed with your clients and your staff. If trust runs strongly through those relationships, you will be in a much better position.

If you weren't showering your clients with love before they resigned, then attempting to do so once they've moved into new roles is likely to be too little, too late. It's the same for the outflow of quality lawyers. If they haven't been feeling valued, heard and rewarded, then throwing more money at them in an attempt to make them stay is also likely to be too little (even if it's a lot) and too late.

The core to whether clients or staff want to stick with you is trust. Trust comes from a thousand moments of truth, from a slow and steady pattern of consistent behaviour over a lengthy period that shows concern and care.

The concept of 'moment of truth' originated in service design and, put simply, it is any interaction during which a customer may form an impression of your brand or product. The aim is for all moments of truth to have a positive impact.

Law firms need to take this moment of truth concept and apply it to their employees and their clients. Trust is the central and timeless tenet. Forming and maintaining trusted relationships has many elements, including sincerity, fairness, openness, reliability and feeling safe to show vulnerability.

Showing non-judgmental concern when seeking to understand others' thoughts and feelings, their motivations and blockers, their values and beliefs and doing what's within your control to help them.

Connection counts

The Surprising Power of Simply Asking Co-workers How They're Doing, by Karyn Twaronite (published in 2019, pre-pandemic!) refers to research conducted in professional services firms that found that 39 per cent of respondents feel the greatest sense of belonging when their colleagues check in with them, both personally and professionally.

Twaronite's research also found tactics that don't make people feel more connected included facetime with senior leadership that wasn't personal, being invited to big or external events or presentations by senior leaders, and being copied in on emails from company leaders.

The legal business is a people business. The way you engage with your employees and your clients has a common thread and that thread is trust. Those thousands of moments of truth. As your firm deals with the disruption of departures of staff, and key contacts in your clients, consider the causes, learn from them and address what needs addressing in a thoughtful and sustainable way.

By understanding and acting on the concerns of your staff and your clients you are better able to build trust. Recognising the changing motivations and priorities of your people has never been more important. Be prepared for requests for extended leave, accumulated holiday leave, mental health days and working predominantly out of the office. Expect even more requests from clients for secondments and participation in activities designed to enhance knowledge and skills.

Keep evolving

If your firm isn't impacted by this malaise, keep your finger closely on the trust pulse of your staff and clients. People are complex, and their needs and priorities are not static. You need to continue to understand what their changing concerns are, or risk trust levels declining and the consequences of this.

Consider the example set by nib Group, which, after spending months planning and consulting with its people to understand how they want to work and how best to support them, has implemented a new policy encouraging its workforce to work from home at least four days a week and to only come together for a purpose, such as meetings or social events.

The group's chair, David Gordon, is on the record saying: "Unlike some companies that have directed their employees to return to the office, we believe there will be no return to our past work practices beyond the pandemic." They believe that a flexible working approach will be a drawcard to tapping into a much larger talent pool.



Your employees and clients have seen a new way of working and a new way of interacting with the world and they like it. For me, Bob Dylan captures the zeitgeist of the moment we're experiencing in these lyrics: "The order is rapidly fadin', and the first one now will later be last for the times they are a-changing."

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