



TACKLING EMPLOYEE TURNOVER

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DEAR PBA HOTLINE: For many years, our firm has been thought of as a desirable place to work by its employees. Recently, we have experienced more voluntary resignations of staff than normal for an organization of our size, which has a total of about 50 people. Some have left for monetary reasons and others for non-monetary reasons such as career advancement.

This recent development has caused us to rethink what attracts people to an employer in general, and to our firm in particular. What is the "model" law firm employer from an employee's point of view? What are other firms doing to keep their people content?

DEAR PENNSYLVANIA LAWYER: I once managed a mid-size firm of 36+ attorneys which had a 67% turnover rate when I joined them. It was literally a revolving door for staff and attorneys. I concentrated first on staff turnover, where my battles were my own and I could implement change the fastest.

Within two years the turnover rate was reduced from 67% to 17%, and within another year it was down to 4%, which was below the industry average —about 6% at that time. Attorney turnover rates started to decrease appreciably starting in the third year.

How did I create the miracle turnaround?

At the end of this article is a listing of some articles for suggested reading. In a nutshell, what follows are the things I addressed at that firm, and subsequently at many others. I thank my years of experience in the more "sane" corporate world managing people prior to my life at law firms, as well as the information learned through an active membership in the Association of Legal Administrators, for providing me with the wisdom to make such a significant impact over and over.

Here are some points to consider:

1. Why are people *really* leaving? I implemented immediate Exit surveys and interviews. I found out quickly that the reasons people state in a resignation are often a convenient pretext for what they really want to do — leave. This strategy eventually gave me sufficient insight to know what cultural and/or environmental and/or business and/or social characteristics of the firm needed tweaking or changing. After determining that, I analyzed what was specifically required to fix, and which areas would have the greatest impact. I also calculated the likelihood a successful change could be implemented, because some of these areas are complex and require buy-in at the highest level to really effect.

2. One of the "hot" buttons, I have come to find consistently over the years, are perceived inequities. Sacred cows or killer bees can kill staff morale. In many cases the employee perception is very different from the reality. Where one can inform to resolve the problem, great. When not, one must actively work to create and portray a different perspective by addressing what is creating the misperception(s). Ways to do this include strategic changes like codifying as much as possible. Implement things like job descriptions, a really comprehensive yet "warm and fuzzy" policy handbook, "hit by a bus" lists, improvements to overall administrative management, improvement of internal communication channels, and adequate training and retraining in every aspect of law firm life.

3. Surprisingly, associate turnover is often caused by staff turnover, although once in a while the opposite can be true. Being a young associate, or even young partner, is much more challenging nowadays. And personal lives are much more complex and time-compressed. Staff turnover can generate disastrous short-term productivity impact on an attorney or even practice group. Simply, the stress gets to be too much.

4. Like with many things in life, turnover begets more turnover. Just as stability tends to promote more stability. Think of a falling stone. It's going to fall straight down in a straight line when dropped. To change that, something must touch the stone and change its path. (Sorry to seem so metaphysical, but much of the people-management side is more art than science.) If you guys are experiencing a recent trend in this area which is negative, you will probably have take some action to change the trend line upward, because otherwise it will continue to trend downward, often accelerating surprisingly quickly.



5. A survey of staff can be particularly rewarding. It can include professionals and/or non-professionals. Surveys have to be done right, though. And they have to be followed up on. Better not to ask than to ask and ignore. But agreeing to ask, and doing so with an open mind, is always the BEST choice.

6. You may want to consider an HR management audit. By bringing in an outsider for confidential interviews leading to a dispassionate arms-length report with specific recommendations, you can be sure that the best information will be gathered, and that experience based on a wide exposure to best practices will be employed to move your firm in the right direction. A self-administered survey is a good strategy, but often staff are too paranoid or cynical to openly or honestly participate.

What I have always found is that it's never just about money. At the one firm I described at the beginning of the email, they did not experience a big jump in payroll or benefit costs as I dramatically reduced turnover. I didn't go about trying to buy loyalty. You can't buy loyalty. It's not possible. I simply created an environment *worthy* of dedication and loyalty. A great sculptor was once asked how he managed to create such astoundingly beautiful works of art. His response was that he simply removed everything which was not the final design. In the same manner, creating the right environment means, for the most part, removing those things which make it less desirable. What you add costs little, but makes a tremendous impact.

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ADDITIONAL READING:

(all articles may be obtained at www.FreedmanLPM.com)

What Makes a Law Firm a Good Place to Work?
Attorney Departures – Keep Them Civil But Keep Them Safe for the Firm



Avoiding Staff Turnover Syndrome
Calculating the True Cost of Turnover
Catch Them Doing Something Right
Communicate Your Expectations Clearly
Hiring Techniques to Ensure Success
Killer Bees and Sacred Cows
Use Exit Interviews to Improve Your Firm

