

GROWING COMPETITIVE ADVANTAGE THROUGH STAFF RETENTION

A guide for SME law firms



In May 2016, Legal Practice Management (LPM) surveyed over 100 SME legal management leaders. 36% of respondents identified 'acquiring high quality staff' as one of the greatest hurdles hampering their law firm's growth or future success.

Yet attracting quality employees, and retaining them, is key to SME law firms developing competitive advantage. Engaged and loyal team members will be more productive, take less time off sick, and ultimately become advocates of the services you offer:

"Every organisations success is built on its people. Get the people bit right and you are likely to have motivated, productive staff and a more successful business."

ACAS, 2017

What's more, losing an employee to your competitor means losing the knowledge and expertise that they have built up whilst at your firm. It also means disrupting relationships they have with your existing clients. Furthermore, finding, recruiting, and training their replacements also comes at the expense of time and money.

*"Train your people well enough that they can leave.
Treat them well enough that they don't want to"*

Richard Branson

It's imperative for leaders within law firms to be pro-active in identifying any areas of dissatisfaction or frustration amongst employees at the earliest opportunity. But when it comes to employee retention, which areas of satisfaction should you measure and manage first?

We've identified four broad areas of importance to legal professionals:

1

WORK-LIFE BALANCE

45% of Junior Lawyers have experienced problems with family life or relationships in the last month, as a result of stress at work.

Junior Lawyers Division survey, February 2017

2

JOB SATISFACTION

'Quality of work' has been identified as one of the most important motivating factors for those pursuing a career in law.

What Junior Lawyers Need, Law Gazette, 2017

3

WORKPLACE CULTURE

Law firms who give their employees greater autonomy stand to benefit from higher levels of staff satisfaction and well-being.

University of Birmingham Business School 2017

4

SALARY AND BENEFITS

32% of employees view their pension scheme as their most valued workplace benefit.

2017 Willis Towers Watson employee benefits and wellbeing index

In this eGuide you will discover:

- ▶ the latest research finding into what legal professionals want and need from law firms
- ▶ tactics for increasing well-being and job satisfaction amongst legal professionals
- ▶ initiatives you can put in place over the short-, medium-, and long-term to position your law firm as an employer of choice.

This eGuide will also help you to evidence your continuing competence in line with the Solicitors Regulation Authority requirements relating to 'Establishing and maintaining effective and professional relations'.

1

WORK-LIFE BALANCE



In February 2017, the Junior Lawyers Division (JLD) surveyed its members across England and Wales on resilience and well-being. The results are concerning, with 82% of respondents reporting they had 'regularly' or 'occasionally' felt stressed (and 55% reporting they had felt unable to cope as a result of stress) in the past month.

Worryingly, 45% of respondents reported experiencing problems with family life or relationships as a result of stress at work. Yet, spending time with family and friends was also cited as a useful mechanism to help cope with work related stress.

As a leader, it's important to remember that how your team are feeling about their work-life balance may not always be apparent. Of the respondents to the JLD survey who had experienced symptoms of stress in the last month, 76% said that their employer was not aware of this, and 40% had looked for another job as a result.

Promoting a healthy work-life balance

The LPM survey revealed that 46% of firms are moving towards or considering a more flexible, remote or mobile working set-up. To position your firm as an employer of choice, it is important to match, or exceed, the flexible working arrangements offered by your competitors.

Over the next 12 months

If you haven't already done so, consider offering working hours and patterns to suit a range of personal circumstances (such as accommodating those with young children). Compressed hours, a nine-day fortnight, working from home, and job-shares are all arrangements that you should develop an open mind towards.

Over the next 6 months

Ask yourself whether you really know how many hours of overtime your team are working. This may be hard to monitor, for example, if employees use their own mobile devices, they may feel that they are 'always on', even outside of traditional office hours.

Consider what steps you can put in place to monitor this, so you are able to identify whether it's a potential problem. Telling signs might include:

- ▶ emails that are written or responded to during anti-social hours
- ▶ increased absenteeism
- ▶ reduced morale resulting in changes to behaviour or attitude

- ▶ signs that other areas of a colleagues life are being compromised to accommodate work (such as hobbies they used to talk about that now seem to have fallen by the wayside).

Within the next month

Creating a working environment that strikes the right work-life balance may take some time. But there are things you can do relatively quickly to start to demonstrate you are serious about creating a healthier working environment:

- ▶ Encourage regular activities that promote the benefits of 'time out'. For example, encourage employees to take a full hour for lunch, or subsidise exercise classes at your local gym.
- ▶ Insist that all those with line management responsibility are trained to spot the symptoms of stress and are clear about their responsibilities in supporting their colleagues, and managing their workloads effectively.
- ▶ Make sure all employees know where to turn to for help if they feel anxious, worried, or stressed. Make them aware that your workplace policies will be supportive of them if they encounter stress or anxiety.
- ▶ Introduce benefits that are aligned to taking time out – such as volunteering days, or additional leave to celebrate family birthdays or anniversaries.

2

JOB SATISFACTION

Making sure day-to-day business as usual tasks are completed must be balanced with ensuring the opportunities you provide employees with are varied, and provide them with the right level of intellectual challenge:

“...for many lawyers the single most important motivating factor is the quality of work. If the work is boring and repetitive, or conversely too difficult, fee-earners are often left feeling unmotivated, untalented and unfulfilled.”

Eleanor Hassani, 'What Junior Lawyers Need', Law Gazette, 2017.

Over the next 12 months

Clearly define the steps your firm will take to assess staff satisfaction. Outline the methods you will use (such as surveys, one-to-one discussions, or staff forums/representatives), as well as when the activities will take place, and communicate these across the firm.

Whatever methods you use, consider assessing whether:

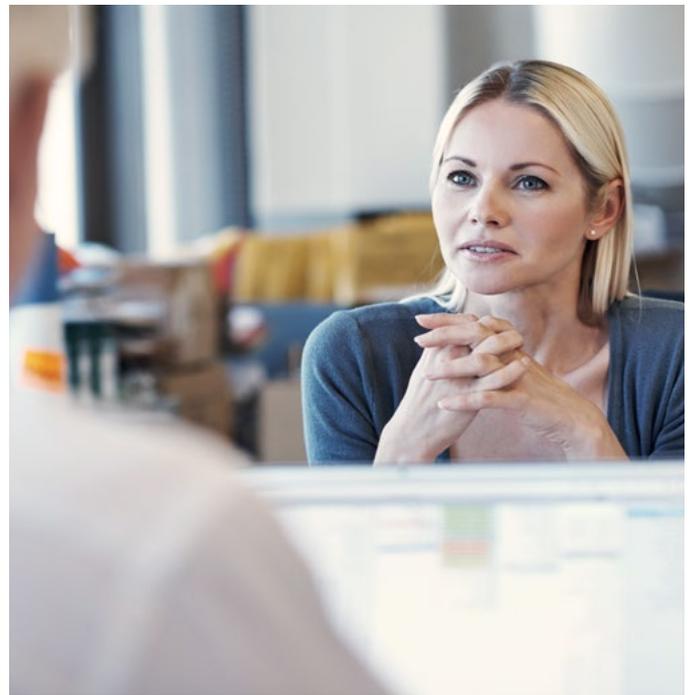
- ▶ the work you are offering each team member is varied and at an appropriate level of challenge for their knowledge, skills and experience
- ▶ employees feel empowered and supported to make decisions
- ▶ team members feel their skills and knowledge are being fully utilised.

Over the next 6 months

Ensure all line managers regularly discuss performance against objectives and are clear on how their day to day activities are aligned to the strategic direction of your firm.

Develop written career progression plans with all team members so they are clear on how they can progress within the firm.

Assess whether employees have all the tools and resources they need to work as efficiently as possible (access to hardware, software, access to information, training, and so on).



Within the next month

Promote an open-door policy, where employees feel able to approach members of the management team to ask questions or discuss ideas.

Provide a number of ways in which employees can provide feedback – suggestions boxes, intranet pages, and staff forums/representatives are all examples of how this could work. When ideas and suggestions are put forward, make sure you communicate the outcomes, and the reasons for them.

3

WORKPLACE CULTURE



Workplace culture can be hard to measure because it is more of an abstract concept than factors such as pay or annual leave entitlement. However, culture plays a significant role in employee retention. Research by The University of Birmingham Business School (2017) found that workplaces who give their employees greater autonomy have overall higher levels of satisfaction and well-being.

Think of your workplace culture as the personality of your firm – its behaviours, values, communication style, and traditions.

Over the next 12 months

Foster a culture that encourages and celebrates innovative ways of working. Empower employees to focus new ways of working, rather than the need to avoid 'failure'.

Introduce a mentoring scheme so that employees have an additional source of support and guidance.

Over the next 6 months

Put mechanisms in place to assess, on an ongoing basis, whether:

- ▶ employees rate the pace of work as too fast, too slow, or about right
- ▶ working hours in line with employees' short- and long-term expectations
- ▶ colleagues pro-actively support each other during busy periods.

Communicate the results together with the actions put in place to address any areas of concern.

Within the next month

Assess the systems and processes you use to communicate and cascade information. Think about the different styles of communication that can be utilised and how these can contribute to creating a culture of autonomy and empowerment.

COMMUNICATION STYLE		EXAMPLE
LOW ↓ ENGAGEMENT ↓ HIGH	Instruct	Delivers facts and directs actions
	Inform	Provides balanced and objective information on what needs to be done and why
	Consult	Obtains feedback on what needs to be done, and analyses different possible solutions
	Involve	Concerns and aspirations are constantly monitored and taken into consideration
	Empower	The employee is the final decision maker as to how the objective is met

Review some of the communications you have sent out to your teams recently and identify what style you have used. Challenge yourself to use more empowering styles of communication in the future.

4

SALARY AND BENEFITS



Pay is often a top consideration for those looking for a new employment opportunity. But interestingly, the 2017 Willis Towers Watson employee benefits and wellbeing index found that just under a third (32%) of respondents cited their pension scheme as their most valued workplace benefit.

So it's important to help your staff look beyond the salary headline figure and ensure they understand the full range of benefits they receive.

Over the next 12 months

If you don't already have one in place, consider introducing an Employee Assistance Programme. Such schemes are designed to support employees with personal issues that may then impact their work life. Typical services offered include counselling, relationship support, advice on striking a healthy work-life balance, and so on.

Initiate discussions with other leaders in your firm about additional benefits that you could introduce such as:

- ▶ enhanced maternity/paternity benefits
- ▶ cycle to work schemes
- ▶ childcare vouchers
- ▶ travel loan schemes
- ▶ retail discount schemes
- ▶ gym membership.

Over the next 6 months

Consider introducing annual benefits statement, to help demonstrate the total value of the package employees have (include items such as salary, bonuses, childcare vouchers, annual leave allowance, pension contributions, healthcare cover, employee assistance programmes, cycle to work schemes, flexible working arrangements, and travel concession).

Annual Benefits Statement Template

Employer Name _____ Year _____

Employee Name _____ Department _____

The following details your salary and benefits made by Company Name and your contributions.

Salary	Company contribution	Your contribution
Annual salary	£	£
Overtime	£	£
Bonus	£	£
Other	£	£
Year total	£	£

Benefits	Company contribution	Your contribution

Within the next month

Demonstrate commitment to your team members' financial well-being by arranging a financial advice surgery in your office. Your local Wesleyan Financial Consultant will be able to offer no-obligation reviews on a one-to-one basis and can discuss topics such as:

- ▶ mortgages
- ▶ savings and investments
- ▶ income protection
- ▶ education fees planning
- ▶ pension benefits and retirement planning*.

Following an appointment, each employee can enjoy a free overnight stay, for two people, in a selected hotel in UK or Ireland**.

You can arrange this for your employees by emailing financialreview@wesleyan.co.uk and quoting reference **51018**, or calling **0800 294 9052** (Lines are open 8am-8pm, Monday-Thursday - 8am-5pm Friday).

*Please note that we cannot provide advice to employers in respect of auto-enrolment or qualifying workplace pensions.

This offer is open to those who have not had a review with a Wesleyan Financial Consultant in the past 12 months and **terms and conditions apply.

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Other	£	£
Year total	£	£

Benefits	Company contribution	Your contribution
Healthcare insurance	£	£
Dental insurance	£	£
Eye care contribution	£	£
Death in service insurance	£	£
Pension contribution	£	£
Gym membership	£	£
Sick leave benefit	£	£
Annual leave	£	£
Parental leave	£	£
Childcare vouchers / contribution	£	£
Cycle to work scheme	£	£
Retail discount scheme	£	£
Travel loan	£	£
Car allowance	£	£
Fuel allowance	£	£
Parking	£	£
Mobile phone benefit	£	£
No obligation financial advice from Wesleyan	£	£
Other (please detail)	£	£
	£	£
Year total	£	£

Total Salary and Bonuses	£	£
Total Benefits	£	£
Total Value	£	£