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## Attracting, hiring, and keeping the right employees

START BY LOOKING AT WHAT YOU HAVE TO OFFER, RATHER THAN WHAT YOU NEED;  
THEN, INVEST IN YOUR PEOPLE

The landscape of hiring has changed significantly since the beginning of the pandemic, causing many in the legal profession to adapt to changing times, including plaintiff law firms. In early 2020, many plaintiff law firms began downsizing in response to court closures, stagnant caseloads and forced remote-work environments. Just as most adapted to the new virtual-work environment and the courts began embracing virtual options for keeping the civil courts open and functional, the need for hiring increased and The Great Resignation began to take hold. The Great Resignation began around the spring of 2021 and has impacted every aspect of the labor market as people continue to leave jobs, change vocations, or simply drop out of the workforce at a shocking pace. The legal profession was one of the hardest hit, along with the tech and healthcare professions.

In early January 2022, the U.S. Department of Labor's Job Openings and Labor Turnover Summary (JOLTS) showed that the tightness within the U.S. labor market was at historic levels, with demand for workers at all-time highs. In November 2021, more than 4.5 million Americans left their jobs voluntarily – that's three percent of the workforce in one month alone. (Davidson, *Great Resignation: The Number of People Quitting Their Jobs Hit an All Time High*, USA Today (Jan. 4, 2022).) The JOLTS report in November 2021 showed there were a total of 10.562 million job openings. That number has increased to 11.4 million job openings as of the end of April 2022, according to the most recent JOLTS report dated June 1, 2022. (U.S. Department of Labor's Job Openings and Labor Turnover Summary (June 1, 2022).) Yet, the number of people quitting their job has remained steady at around 4.4 million since the last report in June, meaning The Great Resignation is still going strong. (*Ibid.*)

As of June 2022, the national unemployment rate sits at a 54-year low. (*Ibid.*) Even more concerning for firms looking to hire is that the unemployment rate for college-degreed workers who are 25 or older also has held steady at 2.0%. (*Ibid.*) These workers are in highest demand by employers, especially those in the legal field. According to the Robert Half 2022 Hiring and Employment Trends Report, 57% of law firms/legal departments are hiring for new permanent positions in the first half of 2022. Of those law firms/legal departments surveyed, 93% said it's challenging to find skilled legal professionals. (*Ibid.*)

Tackling such a competitive talent market requires a renewed approach to recruiting, hiring and retaining employees. The question for owners of plaintiff law firms, and the legal profession in general, is: How do we adapt to this competitive job market, which doesn't seem to be letting up anytime soon?

### **Hiring: Start by looking at what you have to offer, rather than what you need**

In a competitive job market, it is important to know what jobseekers are looking for in a firm. Rather than starting your

search on what you need from the candidates, start your hiring process by looking at what they might need from you. Today's applicants may be prioritizing salary, a job title, a flexible schedule with remote or hybrid work options, or an organizational culture that suits their work style and values. Each of these things is important to applicants at varying levels and degrees. Before you can adequately search for applicants that fit your needs, you should be thinking about how you can compete in these categories with other firms that are fighting for the same group of applicants.

### **Salary: Do your research because your candidates are**

It is undeniable that there is a limited pool of qualified job applicants in California. The limited pool makes it especially hard to compete with the salaries of the big firms and corporate in-house legal departments who can hire and raise salaries at a rate that few plaintiff firms can afford.

Begin your hiring process by conducting research online with tools such as the Robert Half Salary guide (for support staff and attorneys) or the National Association of Law Professionals (NALP) annual study (for attorneys). Make sure to adjust the salary ranges in these guides for geographic location, size of firm, type of practice and additional compensation options such as bonuses and origination fees.

Job seekers are doing their salary research and you should too. According to the Robert Half *May 2022 Hiring and Employment Trends Report*, candidates prepare for new job salary negotiations by researching salaries for the role (51%), calculating an ideal salary based on personal finance needs (33%), and discussing salaries with colleagues (25%). But remember, now more than ever, pay is not their only priority. According to the Robert Half *May 2022 Report*, candidates are looking for a new job because they want a higher salary (54%), better benefits and perks (38%), the ability to work remotely long term (34%), more opportunity to advance (30%) and greater appreciation (28%). The importance of salary to candidates has declined in the Great Resignation. This is good news for plaintiff firms since they can often be competitive in non-salary areas in ways that Big Law can't quickly or easily adapt.

### **Compensation: It means more than money**

Compensation is more than just salary. Money alone is often not the answer in a highly competitive job market. Employees are leaving to take positions at firms with better perks, superior work-life balance, higher morale, and a positive culture. Getting paid more doesn't compensate most law-firm employees enough to work in a miserable position with unrelenting stress. More and more, employees seek meaning in their work over and beyond the rewards of compensation. Firms should focus on creating an environment that embraces flexibility and demonstrates empathy, making it harder for employees to leave.

According to Thompson Reuters *2022 Report on the State of the Legal Market*, despite attorneys' salaries rising in 2021, attorney turnover rose to record levels. Law firms lost nearly one-quarter of their legal associates due to higher demand for legal talent. Higher pay didn't reduce the number of attorneys leaving the firms. Firms with the highest compensation growth didn't have the lowest turnover. Instead, firms with the lowest compensation growth had lower rates of attorney turnover. (*Ibid.*)

If you are looking to hire less-experienced candidates, learn what benefits are most enticing to the current and upcoming generations. Their priorities might be more about quality-of-life issues like taking time off for family or travel, flexible schedules, educational opportunities, community engagement and less expected overtime. Many young applicants are interested in greater growth opportunities and being part of building a business. They also are interested in doing work that makes a difference in people's lives. Thankfully that is exactly what plaintiff firms do. Make sure to stress to candidates the importance of the work you do and why it makes a difference to real people and the community as a whole. Candidates want to feel invested in the greater good, now more than ever.

### **Benefits: It's not just health insurance and dental**

Non-monetary compensation in the form of non-traditional benefits can help make your firm stand out when recruiting. Employees join and stay with a firm because of their contentment with its culture. The added value of non-monetary rewards is that they make people feel good about their workplace. In addition, happy staff members tell others about the firm, making recruiting new employees easier.

Law firms should take a cue from other industries that were struggling to find good talent in highly competitive job markets before the pandemic. Many of those industries found ways to provide

benefits to new and existing employees that are out-of-the-norm. The six primary benefit areas law firm employers should focus on are (not necessarily listed in order of importance): (1) family; (2) wellness; (3) recognition; (4) time off; (5) talent investment; and (6) culture.

Some examples of benefits include vacation bonuses, mental health support, sabbaticals, a "spring break" week off, paid volunteer work, paid subscriptions to Audible for use during commute time, wellness contests, team outings, walking meetings, and development funds. The list of possibilities in these areas is endless. The goal should be to add value to the workplace that not only helps with stress relief but builds good will and shows your appreciation. If your firm offers creative employee benefits that enhance work-life balance, then highly qualified prospects may be more likely to apply.

### **Hybrid and remote work: What works for some, may not work for others**

One of the most significant consequences of the pandemic was mandated fully remote work in a legal industry that rarely allowed remote work pre-pandemic. Along with almost every other profession, attorneys were forced to pack up their offices and move work into their homes. With this change, attorneys and staff had to adjust to video meetings, hearings and sometimes even trials done in a virtual setting. For many, it was difficult to work with co-workers on projects without being in the same office, for others it was a welcome change. Some people had to work with the presence of their families in shared workspaces which also acted as classrooms. For some it was a nightmare, for others it was an absence of commute time, better work-life balance and an overall experience they don't want to give up. Whatever your experience, reports like the *Robert Half May 2022 Hiring and Employment Trends Report*, show that the ability to work remotely long term is the third most important reason someone in the legal field is looking for a new job.

While other industries, notably technology, have embraced a permanent remote or hybrid policy, many law firms have been hesitant to adopt such changes permanently. As a law firm owner/hirer, it is important to ask yourself if offering hybrid or permanent remote work is right for your firm. If the answer is no, make sure to ask early whether remote or hybrid work is important to your candidates. Do not spend valuable time doing interviews or making offers that aren't realistic for either of you.

### **Retention: Now that you have them, how do you keep them?**

In this market it is not only important to learn how to hire new employees, but also to know how to retain them. First, it is important to recognize that it is not a matter of a few tweaks and modifications to your firm. The world has changed in the last two years, and law-firm managers need to embrace that change and consider a range of options to keep their talent in place. From an overall perspective, management needs to focus on treating staff well. The days of management having and leveraging the mindset that staff should be grateful and appreciative for having a job are over. Employees now expect to be viewed as being valued and appreciated.

### **Surveys: Listen and heed what you hear**

You can't pretend to know what your employees are thinking. Even if you have great communication with your employees on a regular basis, there are many reasons they may not let you know what they are really thinking and feeling. One way to actually know is to provide employee satisfaction surveys throughout the year to show that you want their input and are willing to listen. If you choose to follow through on any suggestions, make a point to let them know they were heard. Most importantly, don't let the feedback slide. Follow through.

### **Collaboration: Build a collaborative environment**

Take steps to build an environment where input is sought, accepted, and

rewarded. People feel a stronger link to their job and firm if they know that they are being noticed and their thoughts are valued. Encourage and establish a judgment-free culture where employees feel safe and encouraged to share their ideas without judgment or rejection. Building a collaborative environment starts with cultivating openness and transparency.

There is no need to divulge every snippet of confidential information about the firm, but keeping employees in the loop and listening to them is essential to inspire loyalty and productivity. Set strategic business goals and share them with your employees. If your employees know your firm's strategic business goals, everyone can then work collectively towards the same goals. Likewise, it is important to also be open about the issues and challenges your law firm is facing and present

incentives for employees to offer solutions.

Lead by example. If you hide out in your office, separated from your employees, and do not try to interact with them, you will have a hard time convincing them you want to listen or have the time. Adopt an open-door policy where communication between all levels of your firm is encouraged and frequent.

### **Invest in your people – It will pay off with their loyalty**

The Great Resignation and historic low unemployment rates are forcing many law firms to make changes that frankly are just good business decisions in any environment. Both candidates and long-term employees want to feel that they are part of a firm that has their backs, so they can focus on having yours and your clients'. They want to do good work and be acknowledged for it. They want to be

offered opportunities to grow with training, mentoring and clearly understood paths for development. It is no secret that plaintiff law firms are high-stress businesses with what feels like unattainable workloads and impossible deadlines. But the work is important to our clients, our employees and very often to society as a whole. If you create a firm that your employees love to work at despite the stress and deadlines, you will not only be able to hire the right people, but will be able to keep them with you for the long haul.

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