

WHERE HAVE ALL THE LAWYERS GONE?



THE CORE ASSET: PERSONNEL

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By **Jeffrey Brochin, Esq.**

GreenPoint>
Law & Compliance

william.anderson@greenpointglobal.com | pranav.menon@greenpointglobal.com

International Corporate Center, 555 Theodore Fremd Avenue, Suite A102 Rye, NY 10580

www.greenpointlegal.com

First, there was the gas shortage, then a computer chip shortage, then a baby formula shortage, and even a chili pepper shortage affecting the supply of Sriracha. But now, society, as we know it, practically faces extinction as the penultimate shortage (aside from water) threatens humankind: a shortage of lawyers! That's right, suddenly, there aren't enough lawyers to meet the demand, and many of those already filling legal positions at both law firms and government agencies are considering quitting. Although likely a 'contagion effect' of the Great Resignation that has unfolded since the beginning of the pandemic, the lawyer shortage has now resulted in a recruitment crisis for law firms and governments.

A Truly Global Problem

A January 2022 survey of 3,000 young lawyers conducted by the International Bar Association (IBA) revealed that a whopping 20% of lawyers under the age of forty were reconsidering their having chosen the legal profession and were, in fact, weighing departing from it in the next five years. The survey was carried out across much of Europe, Latin America, and Asia by the IBA in collaboration with the Acritas market research division of Thomson Reuters and was undertaken in an effort to identify young lawyers' attitudes and concerns regarding their positions and future plans. In the process, the respondents disclosed the reasons behind the attrition rates of young lawyers and what sort of changes might improve working conditions.

Old Reasons but New Motivation

The reasons for dissatisfaction cited in the survey results are not new and included such issues as a burdensome workload, lack of work-life balance, inadequate mentoring, negative impact on mental health, and even workplace harassment or toxic culture. However, those dissatisfactions are no longer just workplace gripes but are now translating into a thoughtful rationale for leaving the legal profession altogether. For the legal industry, the question

becomes, 'what can be done to address these problems?'

The Need for a New Carrot

In the U.K. alone, 58% of law firms claim to be suffering from a lack of qualified workers even though the starting salary for new market entrants has reached as high as £150,000 (about \$184,000 USD). In the U.S., 2022 saw an 11.3% average raise in associate lawyer compensation over 2021, plus massive bonuses, but the recruitment and retention crisis continues. Clearly, dream salaries are not enough to make up for the perceived lack of a dream job, and the traditional solution of throwing more money at the staffing problem has become outdated.

The Great Work-From-Home Misread

Many firms thought that the expansion of work-from-home opportunities—ranked as a deal breaker or maker by many lawyers—would serve as a great panacea for many of the concerns raised by lawyers, and certainly as to toxic workplace complaints. However, what was unforeseen was the lack of remediation of the work-life balance issue, with many lawyers now finding themselves 'on call', or at least in front of their computers for more hours than before. And that dreaded work commute that was once viewed so negatively has come to be viewed

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— *Beatrice Martinez, Lead IBA Researcher*

by some lawyers (although not drivers) as a welcome winding down time following a hectic day. In short, a schedule of mostly work-from-home days did not alleviate workplace burnout and may have even exacerbated it.

A Different Type of Investment

Legal tech experts point to their technologies as the go-to solution for law firm staffing woes. Regarding legal tech, 87% of corporate lawyers reported that it was very important for them to work for an enterprise that aggressively employs technology, and 83% of law firm lawyers similarly identified ‘fully leveraged technology’ in the workplace as either extremely important or very important. Accordingly, law firms should view the adoption of legal tech as not merely an efficiency tool—i.e., doing more with less staff— but also as a talent attraction vehicle.

However, notwithstanding the enormous recruitment value of legal tech, only 36% of lawyers think that their firms are actually following up with recruiting and training qualified IT staff to make that happen. To be fair, the fault in the lack of onboarding IT professionals and other technology support staff may not lie with the law firms at all because just as lawyers are participating in the Great Resignation, so too are a variety of other professionals, including IT workers.

What Else Can be Done?

Innovations such as greater flexibility in the workplace, including some days of less than an 8 (‘plus’) hour day or some weeks

of four-day work weeks can serve as talent attractors, as can greatly improved benefits packages. The millennial generation now takes a high salary and bonus packages for granted but is now demanding upgraded employee benefits in addition. Law firms are responding to this demand by providing such amenities as office doctors, free healthcare insurance, mental health resources, office gyms, and other features to improve the holy grail of work-life balance.

For government agencies, a relaxation of residency requirements has proven to be a significant factor in enlarging the pool from which qualified candidates can be drawn. In New York City, such a move has improved the recruitment rates for several civil service titles for lawyers such as Agency Attorney Interne and Agency Attorney. Candidates who get hired for those and various other legal and support positions no longer have to live in the five boroughs or agree to move there within a certain amount of time after being hired.

A Societal Crisis as Well

Halting the greatest lawyer shortage in modern history will not be easy, but with a proper understanding of where recruitment and retention problems stem from, legal HR departments can take the first step in reversing a trend that threatens not just the legal industry itself but a client public that needs and deserves qualified lawyers at their disposal.

Executive Summary

1. The Issue

What can be done to alleviate the legal and non-legal staffing shortage facing law firms and the government?

2. The Gravamen

Competitive salary and bonus packages alone will no longer suffice to pacify lawyer dissatisfactions.

3. The Path Forward

Overall greater flexibility, addressing toxic workplace cultures, and upgrading employee benefits and amenities, are just a few of the steps that law firms can take to address the Great Lawyer Shortage.

Action Items:

1 Listen to Your Lawyers:

Workplace complaints are common in every industry, but when they start to affect recruitment and retention, the wise firm will take those complaints seriously.

2 Know Your Market:

Millennials will soon be making up over 22% of the lawyer workforce, and it is their demands which must be addressed as to workplace flexibility, employee benefits, and other work-life balance needs.

3 Progression and Advancement:

Because a lack of professional opportunities and learning has been identified as a major factor as to why young lawyers leave their employers, firms must up their game as to associate advancement.

4 Address the Stress:

The legal profession is already known as a very stressful one due to the long hours, tight deadlines, and fierce competition. Although almost all bar associations offer lawyer assistance programs for those struggling with mental health or substance abuse problems, firms need to discreetly assist lawyers facing those challenges in-house or by way of an affiliated assistance resource.

Further Readings

1. <https://www.actionstep.com/blog/legal-labor-shortage/>
2. <https://news.bloomberglaw.com/business-and-practice/overworked-big-law-cant-find-enough-lawyers-with-demand-surgin>
3. <https://www.wolterskluwer.com/en/expert-insights/great-resignation-talent-troubles-in-the-legal-industry-2022>
4. <https://www.idexconsulting.com/blog/2018/05/the-skills-short-age-the-challenge-of-attracting-legal-candidates?source=google.com>
5. <https://www.ibanet.org/New-IBA-report-reveals-significant-numbers-of-young-lawyers-want-to-leave-their-current-job>



Jeffrey Brochin, Esq.

GREENPOINT STAFF COUNSEL
AND CONTENT EDITOR

After receiving his Juris Doctor degree from The John Marshall Law School in Chicago, Mr. Brochin served as an Administrative Law Judge with the Illinois Department of Labor for six years where he presided over cases dealing with job separation issues and matters pertaining to contested Unemployment Insurance claims. He also co-wrote the agency's administrative rules, and periodically served as a 'ghost writer' for Board of Review decisions. Following that position, he was Director of Development for a Chicago-area non-profit college where he was responsible for High Net Worth donations to the institution. For the next eighteen years he practiced as a solo practitioner attorney with an emphasis in the fields of Real Estate law and Commercial Contracts transactions, and was an agent for several national title insurance agencies.

In 2003 he was recruited to head up a U.S. title insurance research office in Israel, a position he held for four years, and between 2007-2017 he participated in litigation support for several high-profile cases. He has taught Business Law as a faculty member of the Jerusalem College of Technology, and has authored a wide variety of legal White Papers and timely legal articles as a professional legal content writer for GPL clients. Separate from his legal writing, he has co-authored academic articles on Middle East security topics that have been published in peer-reviewed publications.



William H. Anderson, Esq.

MANAGING DIRECTOR AND HEAD OF
FINANCIAL PRODUCTS AND SERVICES

William Anderson is Managing Director and Head of Law & Compliance. He leads the GreenPoint practice in providing regulatory, legal, and technology solutions to law firms, legal publishers, and in-house law departments around the world, overseeing our team of experienced US attorneys and data and technology experts. Will has over 25 years' experience working with corporations to improve the management of their legal and corporate compliance functions. Will began his legal career as a litigator with a predecessor firm to Drinker, Biddle LLP. He then served as in-house counsel to Andersen Consulting LLP, managing risk and working with outside counsel on active litigation involving the firm.

Will has leveraged his legal experience interpreting regulations and appearing before federal (DOJ, SEC, FTC) and state agencies (NYAG) to oversee research and other areas at Bear Stearns. In this capacity, he counseled analysts on regulatory risk and evolving compliance requirements. Will also consulted on the development of a proprietary tool to ensure effective documentation of compliance clearance of research reports. Will then went on to work in product development and content creation for a global online compliance development firm pioneering the dynamic updating of regulated firms' policies and procedures from online updates and resources. Will holds a Juris Doctorate with High Honors from the Washington University School of Law in Saint Louis and is admitted to state and federal bars. He lives in Pawling, NY, with his wife and daughter.



Sanjay Sharma, PhD

FOUNDER AND CHAIRMAN



Pranav Menon, Esq.

LEGAL RECRUITMENT
MANAGER AND DATA
PRIVACY SPECIALIST – LAW
& COMPLIANCE | GPESR

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