

Law Firm Resilience in a Crisis: Part Four – People Resilience

Featured in the May 2020 edition of the [Edge International Communiqué](#)

By Edge International



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The “Law Firm Resilience in a Crisis” series

Previous papers in this series have focused on [Financial Resilience](#), [Operational Resilience](#) and [Client and Commercial Resilience](#). In this paper we turn our focus to People Resilience. We look at People Resilience during lockdown, during transition out of the current crisis and finally we look at ‘new normal’ – i.e., what will make for a resilient workforce post-crisis.

People Resilience

Resilience during Lockdown

Firms are now several weeks into lockdown and many countries are looking at easing restrictions or have already started to ease restrictions. While lockdown is still in place, we would recommend that firms focus on the following:

1. *Staying close to your people*

There is a danger that employees will start to feel isolated as the lockdown continues. This applies equally to lawyers and to support staff. We are seeing some law firms keeping very close to their workforce so that their people feel highly supported during lockdown. Other law firms are not doing enough. Staying close to your people means checking in with them regularly; line managers should be checking in with their reports at least once a week. Contact should be maintained with furloughed staff, as well as with those working through the lockdown.

2. *Working on keeping up team morale*

The novelty of working from home is wearing thin, or wearing off, for many. It becomes harder to keep up team spirit the longer lockdown drags on. Some law firms are finding novel ways to keep up team spirit – virtual team drinks, virtual team coffee breaks, team or office quizzes, competitions, dress-up days, bake-offs etc. Regular scheduled team meetings and touch points are also crucial, to keep up morale as well as to establish a credible source of information in a period of rumours and “fake news.”

3. Asking the right questions in your regular one-to-ones with team members

In a normal operating environment, prior to the current crisis, much interaction will have taken place with your team members on a casual or impromptu basis. As this is now not possible it is more important than ever to have regular scheduled one-on-one meetings with your team members. Whilst it is inevitable that the focus of these meetings be on work matters, make sure that you additionally use your regular one to ones to find out what is going on with team members on a personal front. Team members face a range of challenges during lockdown: lockdown and isolation can be anxiety provoking; there are challenges around childcare and the difficulty of working parents home-schooling their children or otherwise looking after young children; people are experiencing the loss of loved ones or the passing of extended family, friends or acquaintances. Ask open questions to find out what is impacting your workforce, listen to what is going on and be supportive.

Some things to listen out for:

- Is the team member living on his or her own? Does he or she seem isolated?
- Are you sensing that the team member is having difficulty coping?
- Does the team member have some other vulnerability that you should know about?
- Is the team member juggling childcare duties with a partner? If so, are both working and having to split childcare? Does the team member’s workload need to be altered to take account of this?
- Is the team member a single parent who has full responsibility for home schooling or otherwise looking after a child or children? Does he / she have any support?
- Has the team member experienced a bereavement? Have they lost close family or friends?
- Does the team member have elderly parents who are in isolation? Are they local or at a distance? Does the team member have other vulnerable dependents?
- Is the home-working environment and equipment suitable; is it helping, or hindering, your team member?

Depending on the response to some of these questions, think about what additional support the firm might be able to give. Is it appropriate to offer to involve HR? Is that a necessity? Does your firm offer external counselling or other external support?

4. Remembering that the support you show now will be remembered later

This is a time to build loyalty – and equally a time your workforce will remember if you don’t show support. Few people are likely to be looking to move firms during the crisis but failing to show support now may well be reflected in attrition figures post-crisis.

Resilience during Transition

The transition out of lockdown will probably last for months. It is simply too early to accurately predict the duration or phasing, which will vary from country to country, and perhaps from region to region within a country.

Some firms may well take their eye off the ball during transition when it comes to staying close to their workforce. There will be a temptation to focus on the operational aspects of the transition and to ramp up business development to the exclusion or partial exclusion of focusing on your workforce.

Our recommendation is that law firms continue to do everything we’ve suggested above during the transition out of lockdown. Additionally, it is important to remember that any transition can be deeply unsettling, so keep a particular eye out for any dip in performance from any of your employees or for any of your employees who seem to be struggling to cope.

Firms will have to take a clear stance on what a responsible employer should be expecting and encouraging as lockdown gradually eases. Health authorities and governments are likely to continue to stress that where work can be done from home it should be, and we expect that white-collar industries such as legal services fall into this category. Law firms need to examine how best they demonstrate their responsibility for employees, clients and communities. It is possible that society will regard the firms who continue home working for an extended period as the most agile and well-managed corporate citizens.

For the many firms who have had to take decisive action on staff costs in response to the first phase of the crisis – including furloughs, pay cuts, reduced working weeks – unwinding these actions as the lockdown eases and government support is withdrawn is going to be one of the most difficult and risky management challenges of recent years. If the economy and workloads continue to be depressed, potentially long after lockdown ends, reversing these actions will be hard to justify financially. At the same time, there will be intense pressure to get people back to work. Redundancies and hard financial decisions are inevitably going to follow in some cases and steering firms through these choppy waters is a subject we will return to soon.

It is also our view that the workforce is at a point where its craving some good news and some direction as to what the firm will look like when the lockdown has ended – this gives some hope to the employees and something to look forward to. Psychologically it is the proverbial “light at the end of the tunnel”. It is key that management exudes positive messages about the future through its communications. We would re-iterate that the old adage of “communication, communication, communication” is vital at this time.

Resilience post lockdown – what’s going to be the ‘new normal’?

We have no doubt that in the short/medium term there will not be a full return to pre-crisis ‘normal’. Most law firm employees have experienced working from home full time for several months and have seen how it can be both effective and productive. Those firms that have previously resisted flexible working will find it much harder or impossible to do so, post crisis. It is inevitable, in our view, that the pre-crisis ‘normal’ will be replaced by a ‘new normal’ and that seems to be the assumption of many firms that we are speaking to.

As indicated above, we are firmly of the view that those firms that rapidly figure out and communicate a new working model will gain a competitive advantage in terms of attraction of talent and retention of talent.

Here are some provisional thoughts about what ‘new normal’ might look like:

1. WFH is here to stay, to a great or less extent

The genie is out of the bottle on home working. It will be hard to deny a reasonable measure of flexible working for those that request it post-crisis. Not everyone will want to work from home, but some undoubtedly will, and this will be hard to resist.

We very much doubt that most firms will suddenly move to a predominantly home-working model. As pointed out above, the novelty of working from home is already wearing off for many employees. Human beings are social animals and require social contact to a greater or lesser extent. We think it is likely that a variety of agile working models will evolve, with working from home one or two days per week becoming common practice.

2. Some employees will want to work mostly from home

The savvy employer might be wise to accommodate some employees who want to work primarily from home. Some of the best lawyers might have individual reasons for working from a remote location – e.g., having a partner who has a job that ties them to that location. Those firms that are able to accommodate such employees, including new home-worker hires, will be more attractive employers and therefore better able to build a resilient workforce.

3. The green agenda favours less office-based working

There is an obvious environmental argument in favour of having more of your workforce spending a greater percentage of its time working from home. An environmentally aware workforce is likely to be attracted to an employer that allows people to spend a significant percentage of its time working at home, avoiding excessive commuting and reducing the high energy costs of surplus office accommodation.

4. Video communications will need to become more professional

Video meetings are likely to become increasingly the norm – at least for significant interactions. The new normal will seamlessly incorporate virtual/remote meeting attendees alongside in-person attendees. Firms have for many years spent large amounts of money upgrading their offices to look highly professional – and similarly spent large amounts of money on branding, websites,

etc. It seems inevitable that video communication will become more professionalised – and that the days of employees presenting themselves to clients at a wonky angle in front of their kids' nursery school art are probably numbered. We would suggest that law firms might need to invest in ensuring their employees have super-fast and reliable broadband at home, that they speak to clients using a green screen with firm-branded background, and that they are trained in how to conduct multi-party video meetings effectively.

5. Flexible resourcing will continue to develop alongside flexible working

One of the harshest business lessons of the 2020 crisis has been the dramatic speed at which some legal practice areas have stalled, leaving firms with an almost immediate mismatch between workload and resources/costs. Economic conditions suggest this disparity is now settling in for a long stay.

Firms have, in some jurisdictions, been able to turn to government support to furlough staff in the short-term. Others have reached for cuts in pay and drawings, reduced working weeks and, sadly, lay-offs to deal with the rapid threat to profitability.

In an era of contract-attorney companies, alternative legal-service providers, fee-sharing freelance-lawyer models and the gig economy, this cliff-edge experience is leading firms to reconsider a resourcing model that is so reliant on permanent, full-time employed staff, located in expensive city-center offices. We have heard most of the Big Four accountants announce their strategic switch to a more flexible resourcing model in recent years, able to cope much better with swings in demand and economic shock (or opportunity). Law firms now need to start to develop plans for similar changes.

6. 'New normal' law firms will rethink how they occupy and configure office space

There will inevitably be pressure, not least from the CFO or COO, to reduce office space. Such pressure will be unsurprising when offices are currently empty, and there is only a very gradual return to office working as we transition out of lockdown, and yet law firms are continuing to function and to service their clients.

Retaining a resilient workforce in 'new normal' will require some smart thinking about the best configuration of office space. For sure, there is likely to be movement towards more open plan and unallocated (hot-desking) workspaces in firms that have previously resisted open plan working. But designing the 'new normal' office will require some serious thought about:

- how much total office space is required for your workforce?
- how much breakout space is required and in what configuration?
- how do you configure your office, including all meeting rooms, if video communication becomes the norm in terms of client communication?

7. Firms that forget that humans need physical interaction will lose out

Some firms that we speak to are talking about conducting future partner meetings entirely remotely. Firms that have offices spread internationally are talking about the end of international travel. We would caution against attempting or expecting an extreme swing to entirely electronic communication. Humans are wired for physical interaction and video interaction is not the same as in-person chemistry, in particular when meeting people for the first time and developing a relationship. We believe that firms that rely purely on electronic communication will fare less well than firms that strike a balance between electronic and physical communication. In other contexts (e.g., interactions between world leaders) there have been vivid examples of how much can be achieved when people meet face to face. Law firms, in our view, will abandon physical interaction and connectivity at their peril.

Key Takeaways

- Regular contact with your teams and individual team members is key and this should be cascaded through the entire organization
- Psychological / professional support for employees who need assistance should be readily available
- Management should communicate clearly on a regular basis
- Management should be drawing up plans for the 'new normal' so that they can put these in motion once the governments ease restrictions
- Consider how the new WFH plans will impact winning and transacting assignments from clients

This is the fourth in our series of perspectives on law firm resilience in times of crisis, all published within the last month. The three previous articles are still very recent and relevant to law firm leaders and can be found at <https://www.edge.ai/category/articles/crisis-management-business-continuity-planning/> . The Edge International team would love to hear your comments and are ready to field questions about the people perspective or any of aspect of assuring law firm resilience in times of crisis. Our contact details are below. We will return to the subject of resilience in the context of crisis again over the coming months.

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