



2022 Law Firm Culture Survey

Lawyers' Perspectives on Diversity, Work-Life Balance
and Succession Planning

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Background

We are excited to share the results of our inaugural Law Firm Culture Survey: Lawyers' Perspectives on Diversity, Work-Life Balance and Succession Planning. The survey was designed to gain a more tangible and nuanced understanding of what traits most directly define or constitute a law firm's "culture" and to identify how lawyers view their own firm's culture and those of peer firms. The data reveals that law firms share many culture traits, though they value them differently—sometimes widely. For individual firms, the data reflects how the firm's lawyers rank what traits they believe the firm values and how those values square with their own values.

Introduction

Miriam Webster defines culture as "the set of shared attitudes, values, goals and practices that characterizes an institution or organization." As recruiters, we are frequently asked by lawyers seeking to explore new opportunities about the culture of a given firm. More broadly, employers nationwide, in law and beyond, have been reacting to a surge of employee turnover during the recent COVID-19 lockdown and ensuing Great Resignation by taking stock of their culture—as experienced and perceived by their own people. Employers want to know whether reality is consistent with who they have always believed and portrayed themselves to be. Yet, when we have tried to get behind what lawyers mean when they refer to culture, whether from the law firm's side or the inquiring lawyer's side, we hear several frequently used terms and phrases like "collegial," "collaborative," "Midwest nice" or "a great place to work." These generic references connote a feeling or vibe but lack details about what specific characteristics or traits constitute "collegial" or "Midwest nice," for example.

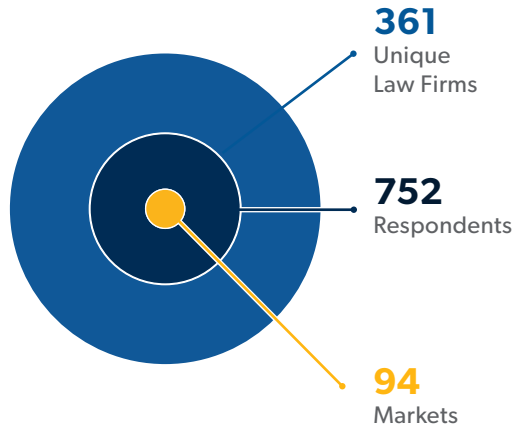
The survey offered 28 culture traits and invited respondents to identify 10 that most define their firm's culture. The top 10 ranked traits represent a set of common values, efforts and goals, i.e., a culture. Knowing more specifically the core traits that define a firm's culture can be critically important. As lawyers who moved from one firm to another told us in our 2020 Lateral Partner Satisfaction Survey, culture outranked compensation as a reason for both their departure from a prior firm and their attraction to their current firm.

Every law firm has "personalities," or people who have an outsize impact on firm culture during a given period or era. Yet, those personalities eventually move on or retire. Firms that endure successive waves of personalities in and out, over decades and generations, yet continue to grow and thrive are built around a strong foundational culture that values certain traits. It is what keeps them on their path.

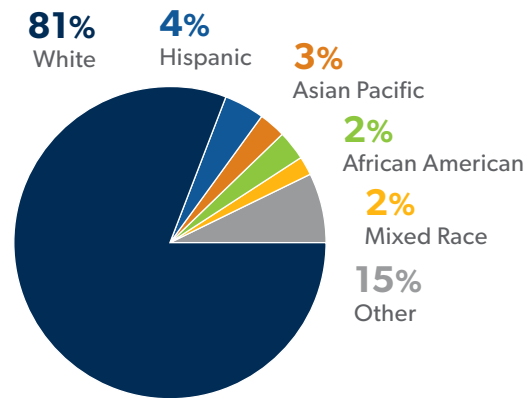
Demographics

Our survey was in the field from March 29 to May 1, 2022. It garnered responses from 752 respondents from 361 unique law firms in 94 markets. Domestic responses came from all regions of the country and from markets as varied as Binghamton, New York; Asheville, North Carolina; Omaha, Nebraska; and Fresno, California.

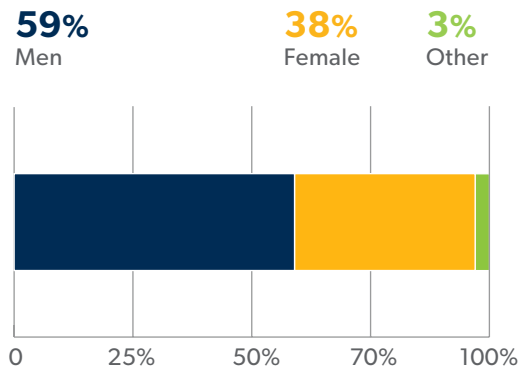
Respondents



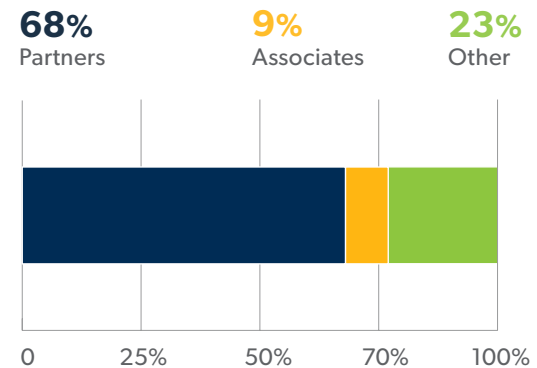
Race



Gender



Position

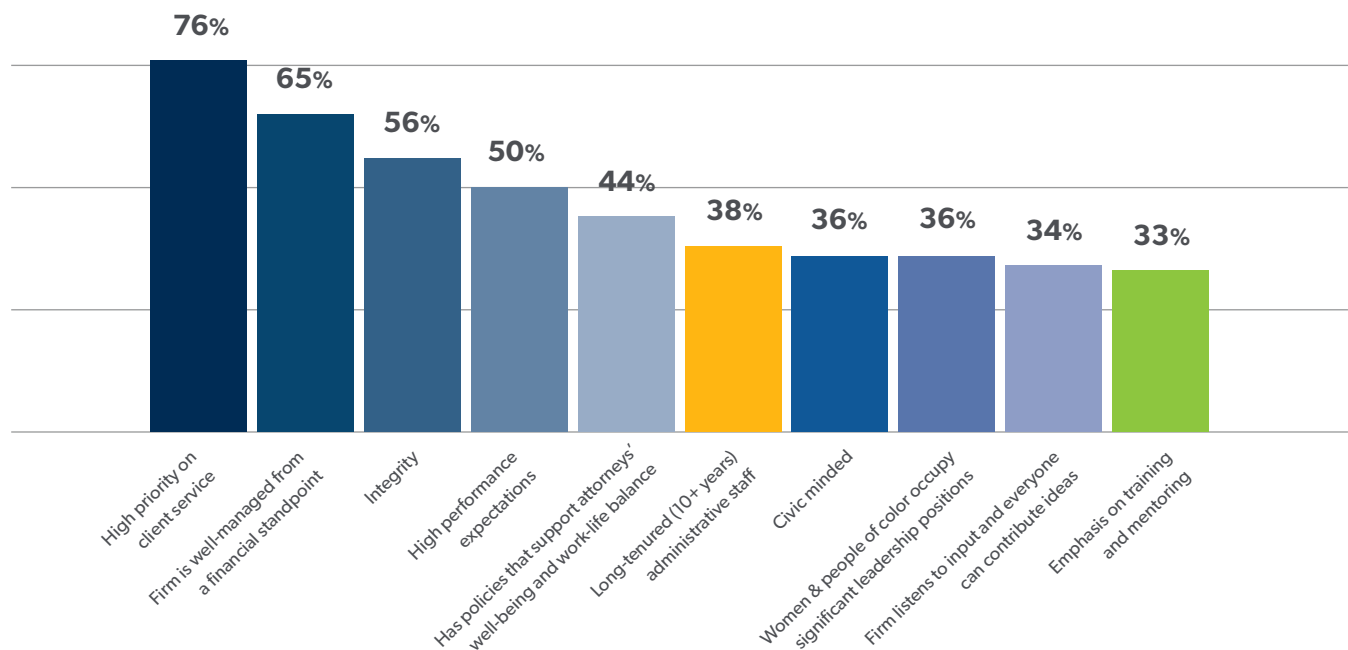


Key Findings

- › Over half of respondents say their firm's leading culture values are 1) high priority on client service (76%), 2) integrity (56%) and 3) high performance expectations (50%).
- › Men and women agree on the importance of many culture traits, though they value them differently. Sometimes widely. This disparity appears in their views on six of the top 10 traits that define their firm's culture. The most significant gap can be found in the responses about whether women and people of color occupy significant positions of leadership—where a 25-point gap exists between men and women.
- › Wide variances also exist between partners and associates. There is also a notable gap of up to 25 percentage points between how partners and associates value certain traits of their firm's culture.
- › Notwithstanding variances between how the genders and partners and associates value certain traits, respondents report a high level of alignment between firm culture and personal values. Nearly 78% ranked value alignment between 7 and 10 on a 1–10 scale, where 10 is “wholly consistent” with personal values. Nonetheless, this leaves 22% of a firm's legal talent at risk of questioning whether there might be a more aligned culture somewhere else. Indeed, sixty-one percent (61%) of respondents indicated that they worked at another firm whose culture did not fully align with personal values, prompting the move.
- › Respondents express strong interest in greater diversity. Yet, that trait did not make the top 10 list of traits that define their firm or traits that inspire the most positive feelings about their firm. Increased participation by lawyers of color in future surveys may yield different results.
- › Women and people of color being in significant positions of leadership and diversity are favored among the traits respondents would like to see more of in their firms, (ranked number two and five, with 38% and 33% support, respectively). They also rank five and eight as traits that inspire negative feelings in some respondents. Two possible interpretations of these results: On one hand, it is possible that smaller percentages of respondents are hostile to women and people of color in law firms or in positions of leadership within law firms (17% and 16%, respectively). On the other hand, considering how many respondents support greater diversity, it is also possible that the negative responses reflect some respondents' frustration that diversity percentages are not higher, i.e., that they would actually like to see greater diversity in their firm, not less.
- › Strong emphasis on billing and profits, or partner/associate leverage, is disfavored by 42% to 98% of respondents, though a substantial majority (65%) like a firm to be financially well-managed.
- › Continuing a trend seen in prior surveys, especially among Millennials, support for well-being and work-life balance (44%), as well as training and mentoring (33%), remain highly valued elements of firm culture.
- › Elite status and heritage fall far down the list of traits lawyers say define their firm's culture.
- › Law firms need to be more deliberate about succession planning or risk alienating next-generation lawyers who are prepared to take their turn at managing important client relationships.

Survey Responses

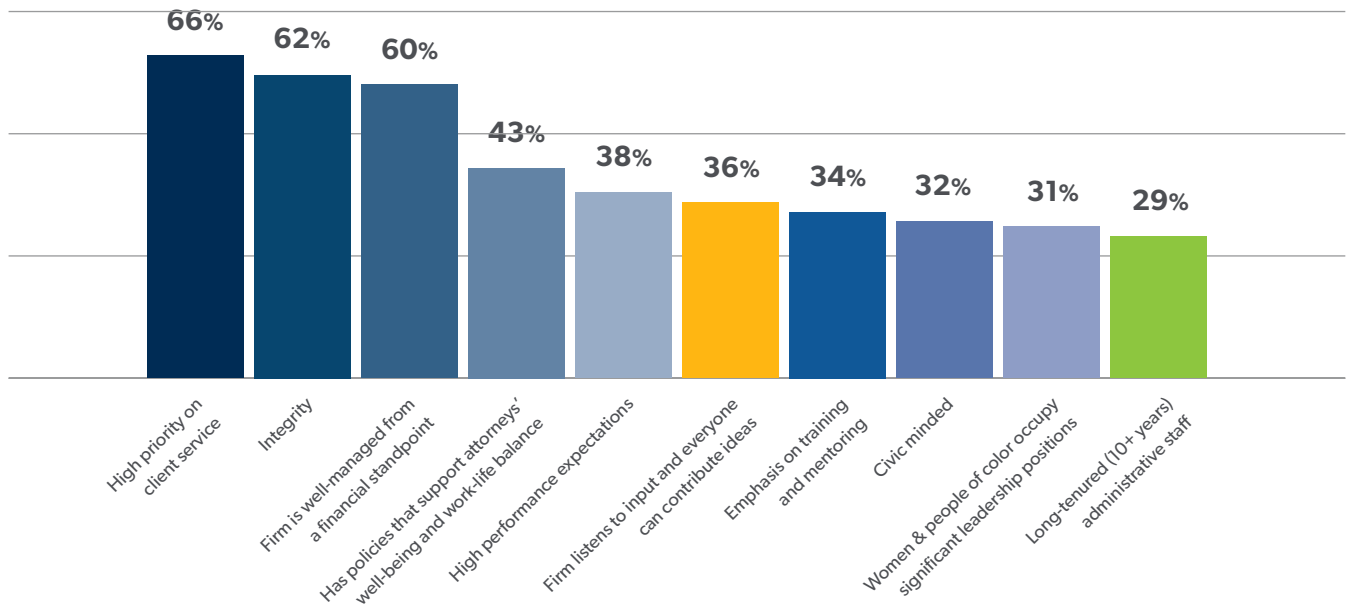
Identify the top 10 traits or phrases you believe best embody your firm's culture:



High priority on client service, at 76%, is by far the most frequently cited trait respondents believe embodies an element of their firm's culture. Only two other traits were cited by more than 50% of respondents: firm is fiscally well managed and integrity. Of the 10 most cited traits, two face outward (high-priority on client service and civic mindedness) and one (integrity) faces all directions, while the rest look inward, focused on how firms do their work—high performance expectations, listens to input, everyone can contribute—and treat their people—policies supporting well-being and work-life balance, emphasis on training and development, women and people of color in significant positions of leadership, fiscally well managed, and long-term administrative staff.

There are notable differences in the weight each gender assigns to the traits of integrity, having policies to support well-being and work-life balance, having long-tenured administrative staff, being civic minded, whether women and people of color occupy significant positions of leadership, and training and mentoring. There are also wide variances in how partners and associates rank eight of the top 10 traits of their culture, reflecting a gap of at least 11 percentage points on each. One trait—that the firm is well managed from a financial standpoint, on which the genders, ironically, agree—reflects a gap of 25 percentage points! Notwithstanding these variances, in both situations, both groups (men and women, partners and associates) value the particular trait, just to different degrees.

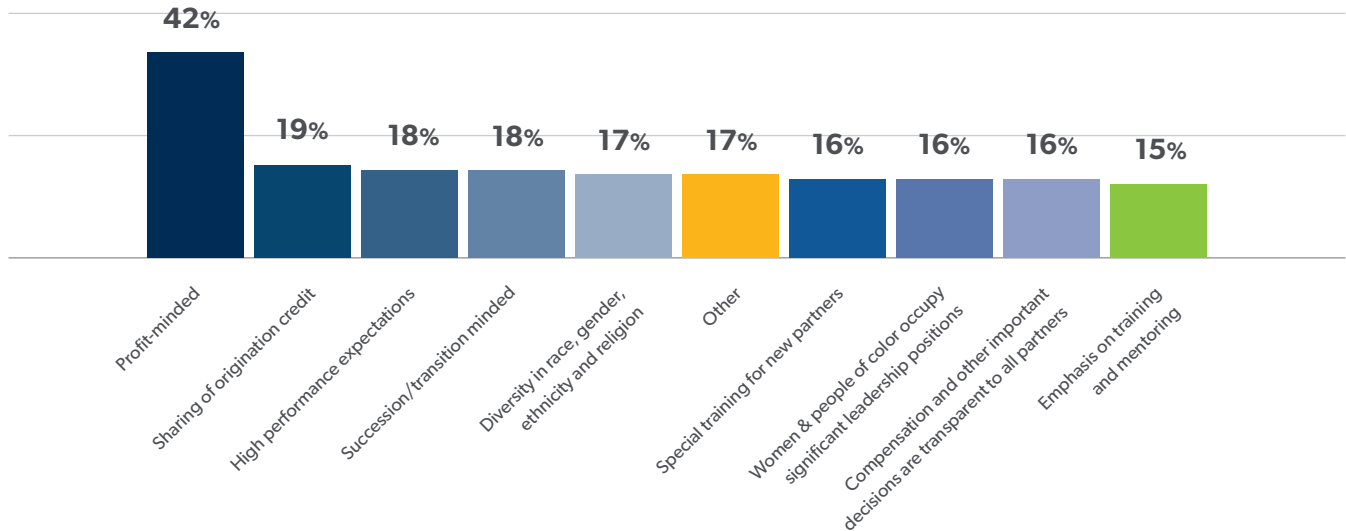
Which 10 traits inspire your most positive feelings about your firm?



The same 10 most cited traits offered in response to Question 1 were also ranked highest for Question 2, with some scrambling of the order, i.e., integrity, focus on well-being and work-life balance, and emphasis on training and mentoring rank slightly higher for inspiring positive feelings than as general traits of the firm. Just outside the top 10 in response to Questions 1 and 2, respondents cite diversity in race, gender, ethnicity and religion as a culture trait that makes them feel positive about their firm. That respondents feel positive about a trait that is not ranked within the top 10 suggests those respondents feel optimistic the firm is moving in the right direction.

We found significant gender differences here on integrity and women and people of color occupying significant positions of leadership. There is a 25-point gap between how men and women rank the latter trait as part of the firm's culture. There are also significant variances, of between 11 and 25 percentage points, in how partners and associates experience and rank half of the top traits of the firm's culture.

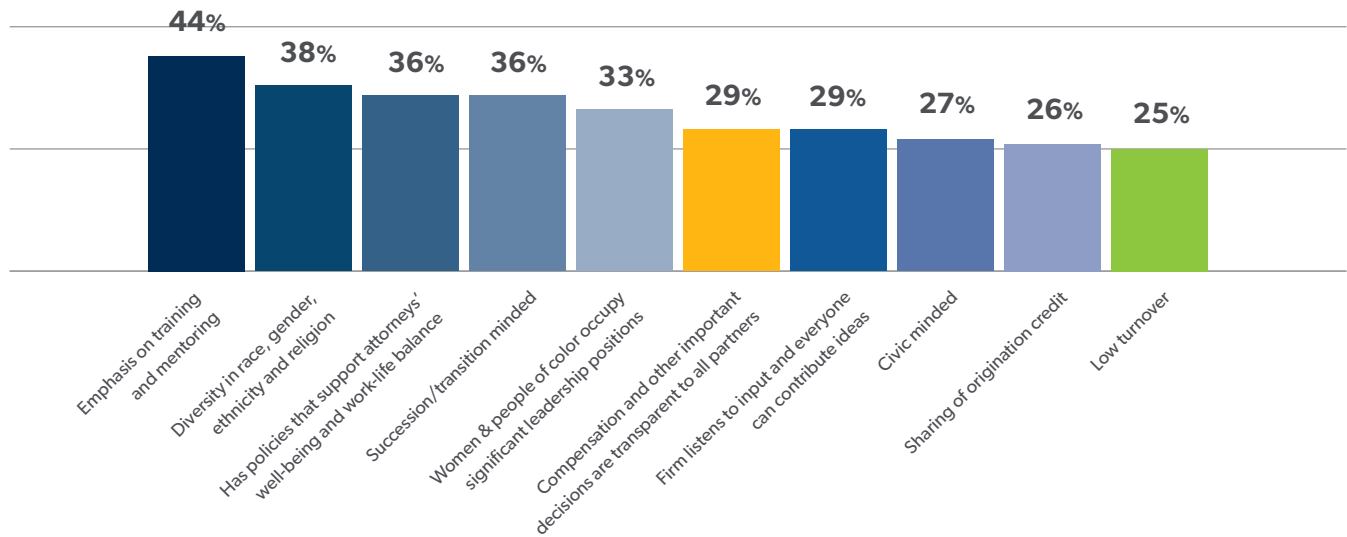
Which 10 traits inspire your most negative feelings about your firm?



Where high priority on client service is the most cited and favored culture trait, profit-mindedness—linking bonus and promotion eligibility to high billing hour requirements—is the most disfavored trait. So disliked, in fact, that the spread between profit-mindedness (42%) and the next most disliked trait, the limited sharing or non-sharing of origination credit (19%), is a whopping 23 percentage points.

Other traits that rankle include senior and retiring partners not transitioning client relationships to the successor generation; inadequate training and mentoring, including for new partners; and lack of meaningful diversity, generally, and in positions of leadership. Respondents also don't believe their firms are sufficiently transparent about compensation decisions or share enough origination credits. These responses indicate that many respondents do not believe their value can or should be reduced to hours billed. Many further believe they should get a piece, or larger piece, of the origination credit for matters they bring in.

Which 10 traits would like to see more prominently reflected or valued in your firm's culture?

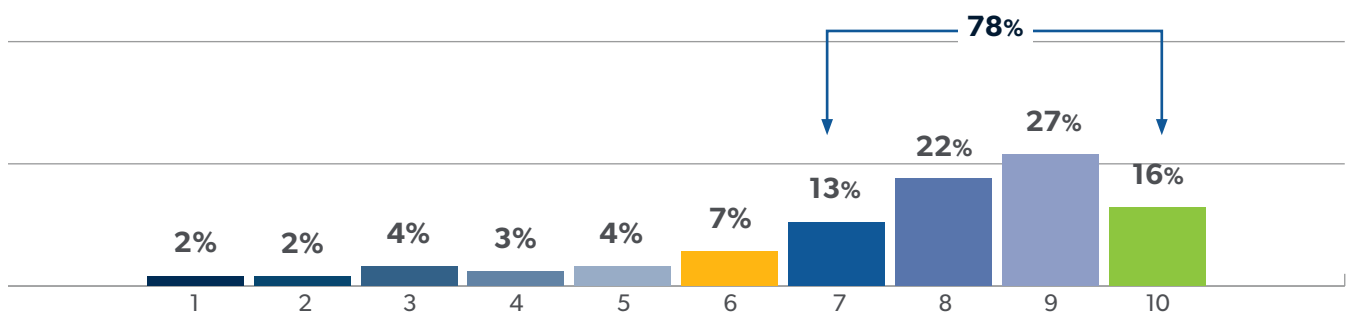


Respondents would like to see more emphasis on training and mentoring. Not far behind are diversity, policies that support well-being and work-life balance, and transitioning client relationships to succeeding generations. These traits are emblematic of a rising generation that places higher value on diversity, wellness and civic mindedness than their predecessors. They also want to be better trained to serve the firm and its clients, whom they hope to inherit as the senior generation moves on.

Respondents want to see greater transparency in compensation decisions and have everyone's voice be heard. This question also implicates race, as African Americans registered the single highest vote on any issue in the survey, 80%, in their desire for greater diversity in their firms.

On a scale of 1-10, how would you rank your firm's culture?

(1 being wholly inconsistent with your personal values and 10 being totally consistent with your values)



Seventy-eight percent (78%) of respondents rank their firm's culture at least 7 or above.

On a scale of 1-10, how would you characterize your firm's commitment to?

(1 being wholly inconsistent with your personal values and 10 being totally consistent with your values)

	Diversity, equity, and inclusion	Work-life balance	Supporting working parents	Mentorship	Transparency
1	4%	3%	4%	4%	9%
2	4%	3%	2%	5%	5%
3	5%	4%	3%	6%	6%
4	4%	4%	4%	4%	4%
5	8%	10%	10%	10%	9%
6	7%	10%	10%	9%	7%
7	9%	13%	13%	14%	12%
8	19%	21%	17%	17%	18%
9	16%	16%	16%	15%	12%
10	24%	17%	22%	17%	19%

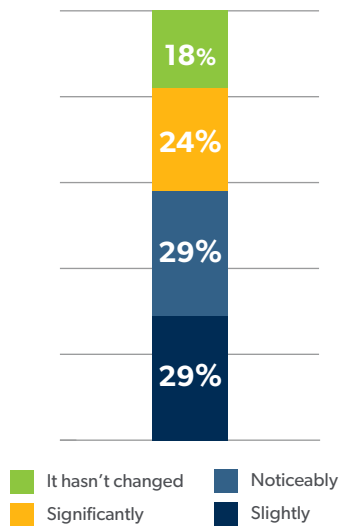
At least 63% of respondents ranked their firm between 7 and 10 on diversity, equity and inclusion, work-life balance, supporting working parents, mentorship and transparency.

What could your firm do to improve its focus on what you consider the most important cultural priorities?

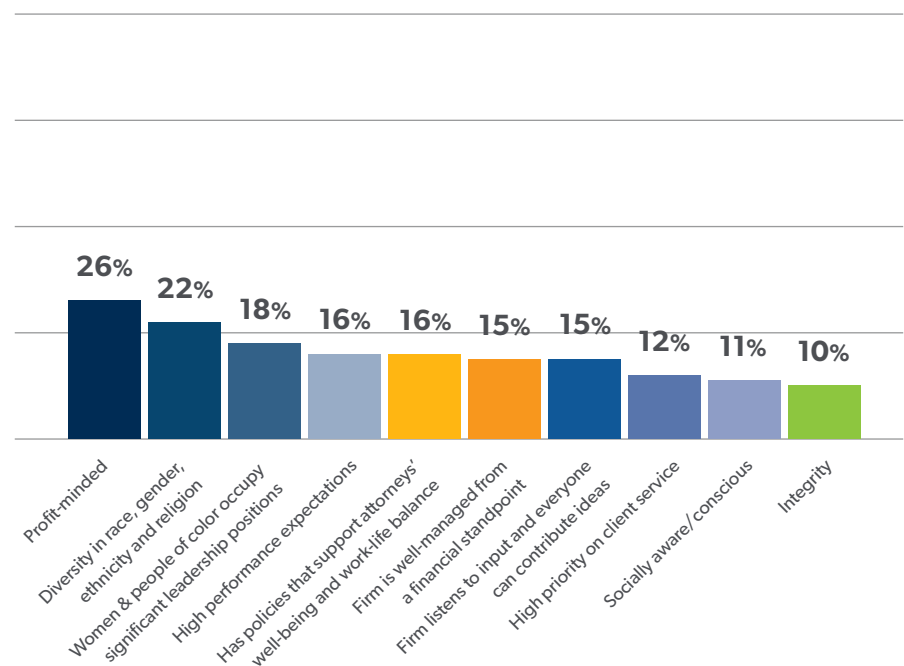
Connectivity between partners **TRANSPARENCY**
MORE OPEN-MINDED *listen to associates*
support diverse attorneys **COLLABORATION**
EMPHASIS ON DIVERSITY **ON MAJOR CASES**
Additional Training **Better Communication**
MENTORING DIVERSITY
EDUCATE LEADERSHIP ON D&I
training *SUPPORT DIVERSE COLLEAGUES*
origination sharing *ARTICULATE VISION*

On how a firm can improve its culture, most respondents valued increasing diversity and inclusion, closely followed by providing greater transparency. Other responses include increased mentoring and training, better communications (e.g., articulate a vision), be open minded and listen to associates.

How much has the culture at your firm changed since you joined?



To what traits do you attribute the change?

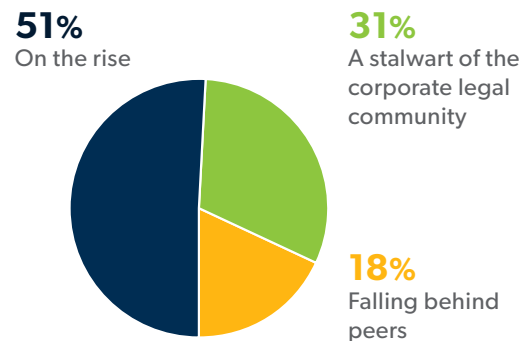


Eighty-two percent (82%) of respondents say the culture of their current firm has changed since they arrived. Twenty-six percent (26%) report that the firm has become more profit-minded, meaning billing requirements determine promotion and bonus eligibility, with less emphasis on pro bono and public service.

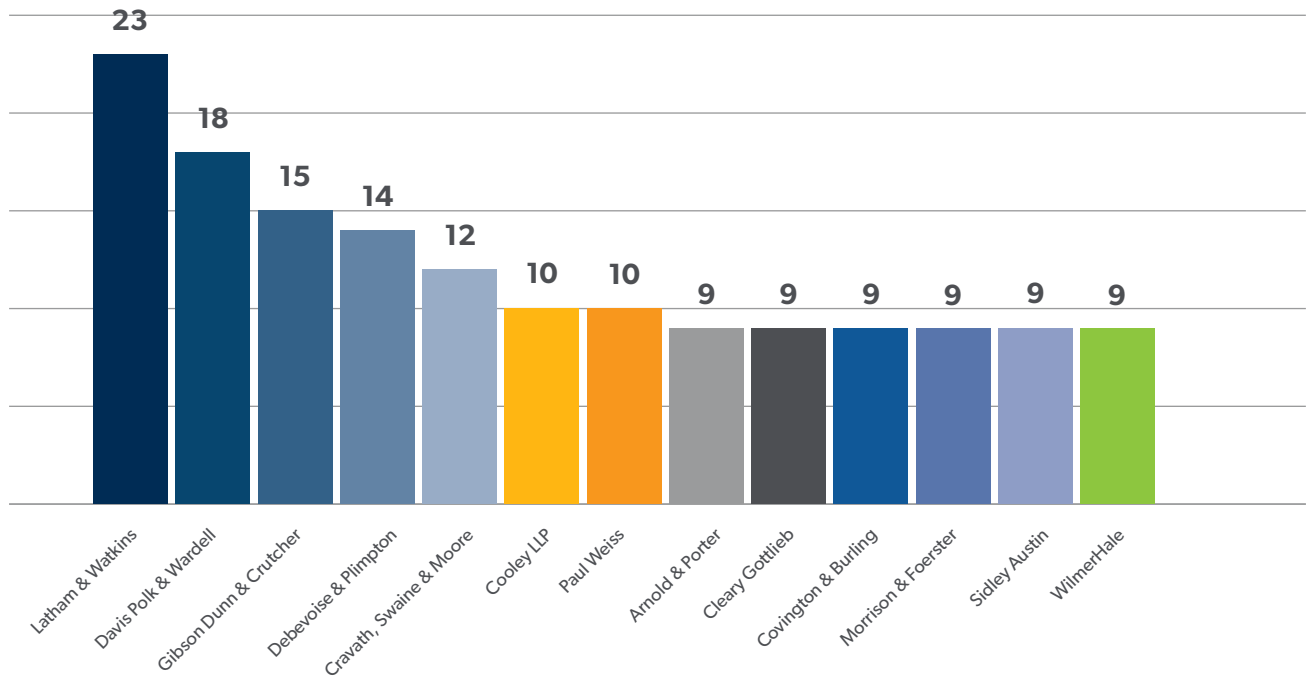
Change has also come in the form of diversity and women and people of color occupying significant positions of leadership, which are likely perceived as positive changes. Other traits that have changed include high performance expectations, policies supporting well-being and work-life balance, good financial management, and the firm listens and encourages new ideas.

How do you view your firm?

Most respondents identify their firm as being "on the rise," while nearly a third say their firm is a stalwart of the legal community. Considering that 82% say their firm's culture has changed since they arrived, it appears those changes have been largely positive, inasmuch as another 51% see their firms as being on the rise.



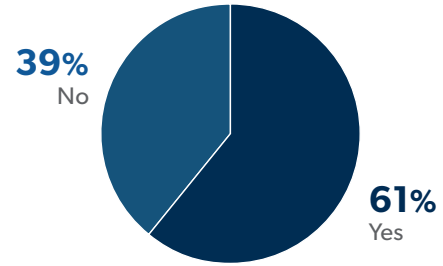
According to survey results, these firms have the most admired cultures



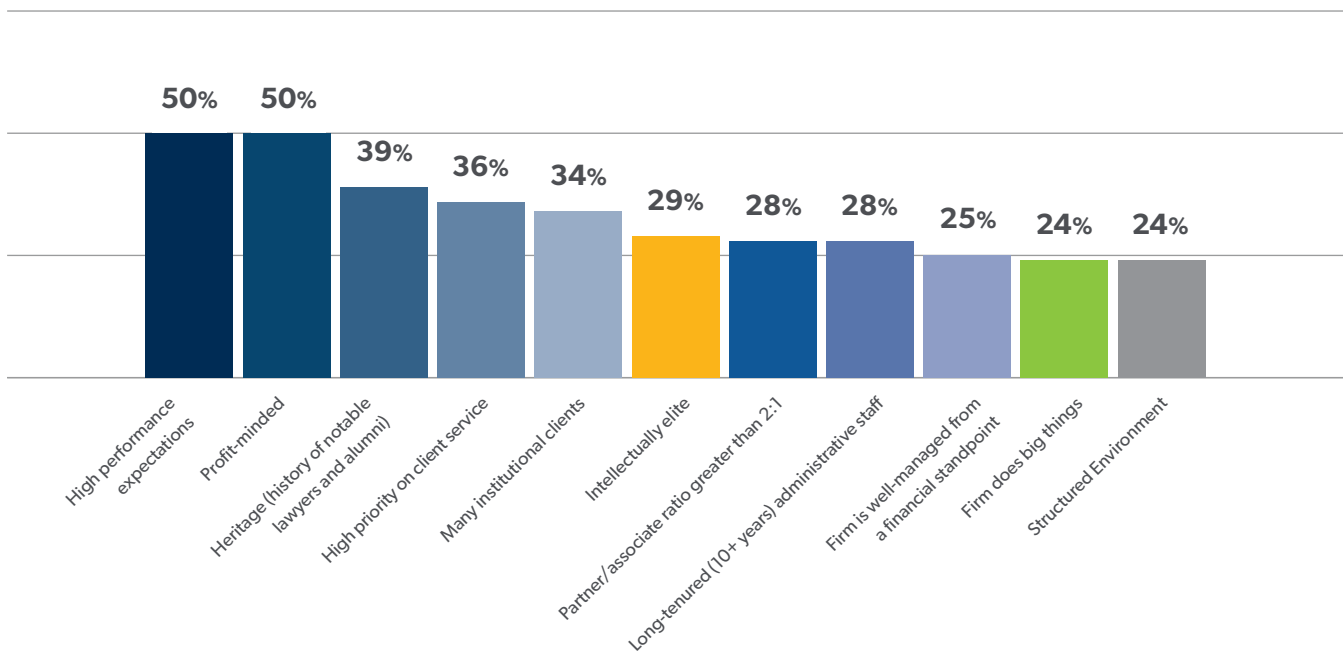
Hogan Lovells enjoys the distinction of being the firm with the highest alignment between firm culture and respondents' personal values, whereas Latham & Watkins received the highest number of votes for most admired culture, followed by Davis, Polk & Wardell, Gibson Dunn & Crutcher, Debevoise & Plimpton, and Cravath, Swaine & Moore. Latham also received the highest number of mentions (21) as a firm with a culture respondents believe to be like their own firm. Simpson Thacher & Bartlett was next (10).

Have you ever worked in a firm that had a materially different culture than your current firm?

Sixty-one percent (61%) of respondents have worked in a firm with a materially different culture than their current firm. Half identified high performance expectations and profit-mindedness as most representative of their prior firm’s culture. It is reasonable to assume respondents left the prior firm to find a culture that puts less emphasis on profit and high performance expectations.



If so, which 10 traits are most representative of that firm’s culture?



Thirty-nine percent (39%) report that heritage was also a trait at their prior firm. Because significant percentages also report that their prior firm did big things; was financially well managed; is a legal stalwart; and had a structured environment, with departments, practice groups and committees, it seems many respondents began their career at a higher ranked Am Law firm and later decided the firm’s culture did not align with their values. This is consistent with findings in our 2020 Lateral Partner Satisfaction Survey, which showed that culture beat out compensation as a reason respondents left their prior firm and, separately, why they chose their current firm. In other words, working in a culture with similar values to one’s own is more important than money.

Noteworthy From the Author

As noted above, there are wide variances on some issues between men and women and between partners and associates. While these variances deserve attention, they exist in degree, not whether the particular culture trait is valued.

High performance expectations are valued in some circumstances but not all. Where 50% of respondents identify high performance expectations as the fourth highest trait they believe defines their firm's culture, and the fifth highest ranked trait that inspires positive feelings about the firm, it is valued the third highest ranked trait that respondents dislike about their firm. This may seem contradictory until we look behind the numbers. Only 18% of respondents identify high performance expectations as a negative trait, where 50% see it as a positive and 38% see it as a point of pride.

Long tenured administrative staff help keep a firm running smoothly and help attorneys perform better. By their tenure and loyalty, they attest to the quality of the firm's values and serve as the connective tissue that helps hold a firm together amid the coming and going of generations of lawyers and "personalities."

Special training for new partners and training and mentoring are of the same nature as well-being and work-life balance, namely, they help keep mind, body and spirit in top condition for the high performance expectations respondents are required to meet. That lawyers value staying informed, prepared and mentally healthy is a testament to self-awareness and respondents' individual commitment to continue performing at the requisite level to deliver high-quality client service.

Conclusion

It is reaffirming that lawyers continue to place high value on integrity, high performance and delivery of client service. Firms also continue to evolve in their attitudes toward diversity and inclusion and in supporting well-being and work-life balance. Where discussion may need to be had is on the many issues where wide variances exist between genders and between partners and associates. Firm leaders may also wish to address the desire for greater emphasis on training and mentoring and invite greater input on internal issues, including compensation and succession.

We believe these insights and many more to be drawn from the results more than justify a follow-on effort, where even more respondents, inspired by these results, can participate. With each cycle, culture becomes clearer and opportunities for addressing and reconciling culture trait variances as wide as some of those reported here can arise.



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