

# The Young and the Restless: Understanding Generational Differences in Today's Law Firms

By Virginia Grant and Marci M. Krufka

**H**ow do you recruit, retain and satisfy a generation of associates who were born in the fast lane? How do you motivate and reward a media-savvy generation who is used to instant access to information, instant career progression and instant rewards? How are compensation systems affected by a generation for which the new standard of living includes paying \$2 for a bottle of water or \$4 for a cup of coffee?

The first step is to recognize that there are vast differences between today's associates and those of the past. The second step is to understand what makes each generation of associates different. Finally, the third step is to use this understanding to rethink your strategies for recruiting, retaining and rewarding associates.

For the first time, law firms will soon be faced with the challenge of having as many as four different generations of lawyers in a law firm at the same time. As "Traditionalist" and "Baby Boomer" lawyers (see definitions on next page) anticipate practicing law longer or at least remaining in the law firm in one capacity or another, they must face the challenge of mentoring, teaching and supervising "Generation X" lawyers and not far behind, "Generation Y" lawyers.

Many partners are unsure about and frustrated by the new brand of associates. After all, associates today are a part of a generation that is respectful of authority but not awed or intimidated by it. They have been raised being asked for their opinions and being allowed to express their beliefs openly. To an older generation of partners, this may be perceived as disrespectful or discourteous.

To compete and win in the current law firm environment, firms must understand how demographic shifts affect recruitment, retention and reward systems. A one-size-fits-all approach to these topics may not necessarily work as well as in the past. A lack of communication and misinterpretation can lead to increases in associate dissatisfaction and turnover.

Law firms must understand what motivates a new generation of lawyers who have different definitions of success than previous generations of associates. It may be helpful to identify some ways in which today's partners are different from the associates of today and tomorrow.

## Cast of Characters

Law firms today are made up of lawyers who were admitted to the bar from 1960 or earlier to those admitted in 2002. That makes for more than 40 years of generational differences living together under one roof. Along with the diversity of these generations comes diversity in value systems, motivators and reward mechanisms. The descriptions below are attempts to identify the characteristics of the lawyers as a reflection of the times in which they were born. These descriptions are meant to provide insight into the differences in values and motivators among lawyers of different generations and are not meant to be stereotypes.

### Traditionalist Lawyer (Born 1945 or before)

The Traditionalist Lawyer is approaching or may be over the age of 60. Dedication and loyalty to the firm were words to live by when the Traditionalist was an associate. Their firms were run by a clear chain of command. These lawyers may be most comfortable with a seniority-based management system and a command-and-control management style.

### Baby Boomer Lawyer (Born between 1946-1964)

The Baby Boomer lawyer is roughly between the ages of 39 and 57. When these lawyers entered law firms as associates, they were driven by the desire to do well and become successful. As their careers progressed, technology became a routine part of the practice of law, although technology was still used more by paraprofessionals and support staff than by

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Virginia Grant



Marci M. Krufka

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lawyers. Baby Boomers witnessed and experienced a challenge to command due to increased opportunities and advancement by women and minorities entering the profession.

**Generation X Lawyer**  
(*Born between 1965-1980*)

The Generation X lawyer is roughly between the ages of 23 and 38. Gen-X lawyers are comfortable using PCs and incorporate them into their practice. As associates, they enter a firm looking for ways to self-command. These lawyers value freedom and versatility in their careers. The ability to balance career and family life is often included in their definition of success.

**Generation Y or Millennial Lawyer**  
(*Born between 1981-1999*)

The Generation Y, future lawyer is about 22 years old or younger. They are only three years away from entering today's law firms as associates. These techno-savvy future lawyers, born with a cell phone in one hand and a Palm Pilot in the other, will enter law schools where a majority of their class are women. They will expect nothing less than a high level of diversity within the firm's work force as measured by race, gender, ethnicity, sexual orientation, disability and religious beliefs. The chart on the following pages summarizes the differences between generations of lawyers.

**Understanding**  
**Generational Differences**

These generational differences in law firms present challenges to management. If generational differences are not properly understood, firms may face problems with recruitment, retention and other issues. In a profession where nearly one-third of new associate hires leave their first law firm within three years, management can only benefit by under-

standing the impact of generational differences. Firms must be innovative and unafraid to try new and bold approaches to managing the generations.

**Recruiting**

- Be sure that your firm's recruiting committee consists of lawyers from different generations. Unless they are very empathic, a recruiting committee consisting of only the firm's senior-most partners will not likely understand all of the issues necessary to ensure that the firm can attract the best candidates.
- Your firm's website can be your most valuable recruiting tool. Offer as much information as possible on the website. Include less about history and tradition and focus more on firm innovation and what it is like to work at the firm. Be sure to include information on career path, training, mentoring programs, associate programs, rewards, work/life balance and diversity. For a generation raised on sound bites and instant access to information, your firm's website can be critical to obtaining interest on the part of candidates.
- Be sure that your recruiting materials, electronic and written, include information that is relevant to a diverse candidate base. One size recruiting messages may not fit all and may prevent you from attracting the best and brightest.
- Candidates need to understand that the legal profession is not easy. When recruiting, be upfront and honest about lifestyle issues. Many associates will want to know how work/life balance issues are handled in your firm.

**Retention**

- Associates want timely feedback on their performance. Firms should provide at least one formal perfor-

mance evaluation per year and project-specific feedback throughout the year. The better the evaluation and feedback process, the better likelihood of greater associate satisfaction and retention.

- Consider using technology to improve the frequency and quality of feedback. For example, firms can use a user-friendly interactive Web-based interface — a digital dashboard that provides immediate feedback (and other valuable information) in real time to lawyers. Partners can enter their project-specific comments on associate performance. The associates can then pull up a screen right at their own desktop to see how they are performing.
- Lawyers require management training in a variety of topics. As part of your firm's professional development program, provide lawyers training on how to give and receive feedback. This training would be useful for both partners and associates.
- Professional development and opportunities for advancement are critical issues for associates. Hire a professional development administrator to work with associates to develop their careers. Or, if your firm is not large enough to justify a full-time professional, appoint a "partner in charge of professional development" in the firm. A professional development administrator or partner can work with associates to design career paths that will provide opportunities for challenging work and increased visibility in the firm and the legal community.
- If you do not already have one, establish a formal mentoring program. Most associates say they

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1980 Associate	2000 and Beyond Associate
<b>Legal Profession</b>	
Approximately 500,000 lawyers in the United States	Over 1,00,000 lawyers in the United States
One lawyer for every 400 people in United States	One lawyer for every 200 people in United States
Legal profession well-respected and lawyers viewed as respected members of the community	Legal profession mistrusted and lawyers often ridiculed
Practice of law exclusive domain of independent law firms	Incursion of accounting firms, financial planners, HR consultants, etc.
Clients relatively unsophisticated and willing to accept lawyer advice at face value	More sophisticated clients, many of whom are lawyers themselves
Sphere of business and social interaction was local community	Sphere of business and social interaction is global
Lawyers given <i>carte blanche</i> to litigate cases	Budget squeeze in corporations results in profit squeeze in law firms
Lawyer invoice to client read, "\$15,000 for services rendered"	Invoices subject to voluminous billing guidelines, detailed descriptions of billing activities, limitations on billable events (i.e. travel time), etc.
Clients more accepting of annual fee increases	Clients more sensitive to rising costs of legal services and refuse to subsidize large increases in associate salaries
Marketing activities included lunches, dinners, cocktails, golf outings, sporting events, etc.	Clients inundated with sophisticated marketing devices
Secretary took dictation	Voice recognition software
Lawyer to secretary ratio = 1:1	Lawyer to secretary ratio = 3:1
Legal research tools: Paper library with hardback legal digests, Shepard's, etc.	Legal research tools: Westlaw, Lexis-Nexis, Internet, etc.
Formal dress code preferred. Saturday was considered the only casual day	Casual dress code preferred. Business casual Monday through Friday
Lawyers worked primarily from the office	Lawyers are mobile, with laptops and handheld PDAs, Blackberrys, cellular phones, etc.
Lawyers accessible to clients via telephone, facsimile and mail	Lawyers accessible to clients 24 hours a day via electronic mail, BlackBerrys, cellular phones, laptops, handheld PDAs
Inter-office memos to get messages back and forth	Intranet or internal email to get messages back and forth
Profession dominated by white males	Profession more inclusive of women and people of color
<b>Legal Career</b>	
Jobs plentiful at good law firms for good students	Job market extremely competitive; top schools or top of class required for large firms/best paying jobs
Invited to law firm partnership after 3 to 5 years of good work	Possibly invited to partnership after 8 to 10 years of high productivity, development of a book of business, and some participation in firm management and/or administration
Upward mobility to partnership is the only sure sign of success	Greater desire for alternatives to equity partnership. Success can mean a horizontal move (non-equity partnership, staff attorney, etc.) and not necessarily a vertical move.
Lawyers looking for rewards in terms of financial success and elevation to partnership	Lawyers looking for rewards in terms of financial success, flexibility, freedom, autonomy and increase in opportunities
Lawyers looking to build lifetime careers in one law firm	Lawyers looking to leverage their credentials in managing their own careers. A 2000 American Bar Foundation report found that 65% of young lawyers indicated that they would consider switching jobs within two years.
Moderate billable hour requirements	High annual billable hour requirements to cover associate salaries and increases in overhead
Expected to stay with firm throughout legal career	Willing to make lateral moves and to transition into new careers
Wait for opportunity for career progression	More impatient in terms of career progression
Diversity accepted as the natural progression of the profession	Diversity expected as the natural way of doing business
Definition of diversity meant more women in the workplace	Diversity has a broader definition and is not limited to race, gender, age, sexual orientation, religion
Interview process for associate consists of being interviewed by partners in the firm	Interview process consists of associate candidate interviewing the firm and its partners as well
Formal feedback once a year if at all	Associates expect constant feedback often informally after each project
Little or no technology training/experience	Grew up with computers in home, school and office. Expectation of latest technology tools and gadgets.
<b>Lawyer Personal Financial Profile</b>	
Little or no debt at law school graduation	Large student loan debt at law school graduation (Often \$60,000 to \$120,000 or more)
Average associate starting salary was \$36,000	Average associate starting salary is \$66,000
Less open about compensation and benefit packages	More open with peers regarding compensation and benefit packages. See <a href="http://www.greedyassociates.com">www.greedyassociates.com</a>
Early financial success (earning significantly more than contemporaries with bachelors' degrees or MBAs)	Financial mediocrity early in career with possibility of long-term financial success (contemporaries with bachelors' degrees, MBAs make the same or more to begin with)
Expect to pay dues then achieve financial payoff	Expect to receive quicker financial payoff
<b>Lawyer Family Life</b>	
Single-income family	Dual-income family
Little or no childcare outside the home	High-cost childcare outside the home

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1980 Associate	2000 and Beyond Associate
<b>Lawyer Family Life (continued)</b>	
Lawyers worked full-time	Firms have part-time attorneys
Lawyers lived to work	Lawyers work to live a balanced life
Stay at home spouse handles most or all household and child care duties. Working spouse devotes evenings to client development, bar and community activities	Household and child care duties required by both spouses
<b>Other Sociological Differences</b>	
Don't ask/don't tell society	Society filled with honest information about sex, gangs, drugs, AIDS, violence, etc.
Prefer not to disclose sensitive/important information	Prefer honesty, straightforward information and disclosure
Accustomed to hierarchy, reserve and control	Rejects control, demands flexibility and enjoys more freedom

would benefit from a more formal mentor program, with an abundance of communication and clearly articulated expectations for the mentor, the mentee and the overall relationship. Mentors maintain an on-going dialogue with associates regarding their goals and what it will take to achieve them. Associates are more likely to stay if they feel they are being trained, supported and given opportunities.

- Expose associates to meaningful and challenging assignments early on. Being passed over for significant assignments may be interpreted by associates as a sign that they are not on the right track for advancement.
- Provide career opportunities that move in a number of directions, not just upward to partnership. Offer and support the option of moving laterally within the firm (e.g. to a different practice group) or even moving downward. Firms should be willing to support decisions of lawyers to be more flexible in their careers.

**Rewards**

- After understanding what is important to your lawyers, consider innovative ways to reward them.
- Many of the firm's lawyers (not just Generation X and Y lawyers) enjoy using state-of-the-art tech-

nology. Mobile technology options increase telecommuting opportunities, allow lawyers to remain connected to the office and clients and help lawyers better address work/life balance issues. Some firms offer firm-supplied cellular phones, Blackberrys, laptop computers and high-speed home Internet access.

- Offering services like home meal replacements, laundry service and car maintenance service are simple timesaving perks that can be valuable to today's busy lawyer. One firm even bought a vacation home for the exclusive use of associates as a tangible symbol of the firm's appreciation for their efforts. Not only did associate satisfaction and productivity skyrocket, associates became the firm's best recruiters.
- Many Generation X and Generation Y lawyers are looking to buy their first home or to pay off law school debt. Firms that offer assistance with mortgage financing or an introduction to bank relationships are a step ahead in gaining lawyer loyalty.
- Despite recent trends toward more formal office attire (following the dot.com bust), associates prefer relaxed office dress codes.
- Flexible schedules and telecommuting are other examples of

options that associates are looking for. Firms have been criticized, however, for advertising these scheduling options in recruiting materials and not making them a realistic choice for its lawyers. If you plan to offer flexible, reduced or part-time schedules, make sure your firm understands the financial implications and that the firm can and will allow lawyers to choose these options without penalty. Develop a formal, written policy about this and communicate the policy throughout the firm.

**Conclusion**

Managing law firm associates is a challenge — but challenges present opportunities. By developing a clear understanding of generational differences among lawyers in your firm, you will make notable improvements in your strategies for recruiting, retaining and rewarding associates. ♦

<sup>1</sup> *Beyond the Bidding Wars: A Survey of Associate Attrition, Departure Destinations & Workplace Incentives*, NALP Foundation, page 22.

**Virginia Grant** is a consultant with Altman Weil, Inc. She works out of the firm's Milwaukee office, and she can be reached at (414) 427-5400 or [vgrant@altmanweil.com](mailto:vgrant@altmanweil.com).

**Marci M. Krufka** is a consultant with Altman Weil, Inc. She works out of the firm's Newtown Square, Pennsylvania office, and she can be reached at (610) 886-2000 or [mmkrufka@altmanweil.com](mailto:mmkrufka@altmanweil.com).