LESSONS FROM THE LAW FIRM MATURITY INDEX DOES YOUR FIRM HAVE A WORKFORCE MENTAL HEALTH PROBLEM? IF SO, HOW CAN IT BE FIXED?

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LESSONS FROM THE LFMI



"To be a leader and stay in your leadership role, you have to run an area without highstress levels...It's a constant focus of ours and a requirement of our leaders to be able to manage that." Lars Fruergaard Jorgensen, CEO Novo Nordisk, 22 March 2024

Professional footballers used to be routinely forced to play with injuries. Often, the pain of injuries was masked by pain-killing injections given before a game. The prevailing ethos was that players were of no use if they were not on the field.

Today, we know that playing with an injury can delay and impair healing. Minor injury can also turn into a major one. Forcing people to play with injury can mean that the quality of performance suffers. In a worse-case scenario, a player's ability to play at all can be jeopardised. These outcomes are neither in the interest of a player or the club. As a result, more clubs ensure that players are much better protected than ever before.

Why does this analogy apply to a law firm?

Many law firms, directly or indirectly, encourage staff into work without sufficient regard for their health.

The pressure to serve clients and charge billable hours can be extreme. Performance management primarily requires people to be productive. The effect of this means that partners want their teams to be charging clients as much as possible. Lawyers often feel compelled to do so, even if they are physically ill or are experiencing poor mental health. Legal professionals may routinely feel forced to "play" with injury. In recent words from the Chair of the City of London Law Society [1]:

"...we as responsible leaders must act and must act now: we cannot go on with a significant number of lawyers at all levels who are suffering from the way in which we now expect them to work."

Stresses arise from various aspects of work and can become harm inducing. These may not manifest in physical injury. More often they can cause or exacerbate poor mental health. This has become of serious concern for legal firms. Indeed, the recent death in the UK of a law firm partner, Vanessa Ford, has created a huge response. A focus on how her working environment may have contributed has been significant. It should be a wake-up call for many. Not just to deal with the extremes of burnout and breakdown but to proactively monitor, manage and promote workforce wellbeing.

Any dip in the wellbeing of staff starts with sub optimal outcomes. Can you do your best work with poor mental health? Not addressing the issue also creates longer term problems; for individuals, firms, and stakeholders (including clients). The recent quote above, from Novo Nordisk's CEO, states that his company's leadership team are now being judged on staff wellbeing. Shouldn't legal firms also be managing this as a key management indicator?

If law firm leaders want to better manage wellbeing, where should they begin? Law Firm Maturity Index data provides a useful starting point. It helps to show leadership

Clear, evidence based steps

teams how they can start to comprehensively address this issue, using a set of clear, evidence based steps.

Step 1: Diagnose the extent of any problem.

To manage something effectively requires measurement. Firms need to measure levels of wellbeing to provide a necessary baseline. In Figure 1, the LFMI provides a measure of workforce wellbeing. In absolute terms, anything less than 8 out of 10 is sub optimal, where value is being eroded and risk is being carried. How would your firm measure up?

Step 2: Identify higher risk populations.

Firms should analyse data according to key demographics such as role, location, function/ service line, age, ethnicity, sexuality and gender. LFMI data in Figure 1 is presented by reference to age. This suggests that wellbeing improves in older workers but then deteriorates in the very oldest group of workers. What might this suggest about how and why work affects the wellbeing of workers across different age populations?

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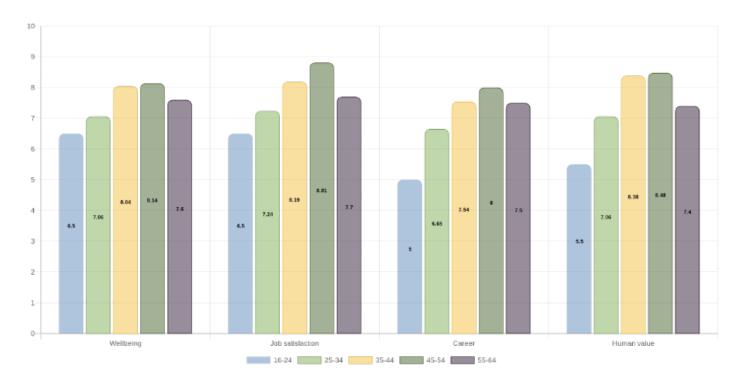
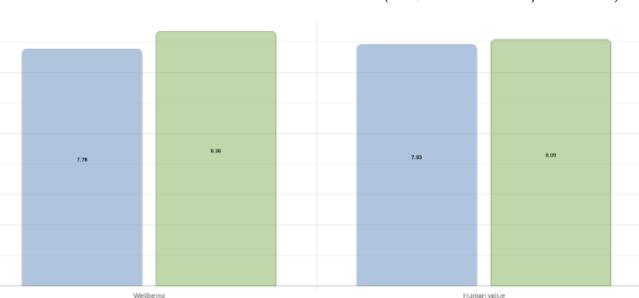


Figure 1: LFMI data on Wellbeing, Satisfaction, Career and Human Value (Age Profiles)

Women report lower scores across all factors within the LFMI after being in-role for more than two years. Figure 2 shows measures of wellbeing and human value. As women report higher scores than men in the first two years of their job, this suggests that the experience

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of women deteriorates over time. If this is true for your firm, what systems and cultural characteristics may be helping men to thrive and succeed more than women over time?



Female Male

Figure 2: LFMI data on Wellbeing and Human Value (Men/Women after 2 years in role)

Step 3: Establish causal drivers.

LFMI helps to identify the causal factors associated with wellbeing. Figure 1 shows job satisfaction, where lower scores may correlate with lower wellbeing as an indicator of motivation. LFMI's career measure is an indicator of alignment between a firm and an individual's goals. Disconnection here can be another source of stress. LFMI's human value indicator is important as it measures whether people are managed as sources of value rather than as a cost of doing business. This taps into a core leadership and management ethos: whether people are treated more as resources, where extraction of effort and even exploitation may arise. Or, whether people are viewed as sources of value, where sustainability, development and the realisation of potential are fundamental tenets.

Cooperation, openness, and respect

LFMI also measures a number other factors associated with potential stressors. For example, the articulation and nature of a firm's purpose (its link to societal value) integrates greater clarity and meaning at work. Higher firm-wide trust equates to lower fear and lower stress, while LFMI's culture measure incorporates cooperation, openness, and respect.

The key, overriding point is that a number of potential work related stressors exist. Only by

properly assessing how these causal factors arise, and relate to each other, can the identification of appropriate solutions be made.

Step 4: Developing a roadmap for improvement.

Once a full diagnosis exists, firms can develop a suite of relevant strategies and interventions. From baseline LFMI data we can see that many firms need to improve at least some of the following:

- Embedding a human value ethos where partners and manager's success integrates wellbeing and the realisation of human potential.
- Managing an individual's contribution to the totality of a firm's value (rather than just productivity), integrating factors such as work quality, innovation and impact.
- Monitoring levels of wellbeing using quantitative and qualitative evidence to identify red flags at an early stage and intervene accordingly.
- Proactively balancing workloads and allowing breaks during and after periods of high intensity work.
- Setting client expectations to reduce pressure and potential work overload; re-setting the client relationship to promote and ensure the very best quality of advice is always provided.
- Identifying and fixing systems and cultural

characteristics to enable everyone to thrive and succeed.

Building a culture of psychological safety underpinned by high trust, where people can freely raise health concerns and are provided with appropriate support.

If you want to see how the LFMI data could help your firm, try it for free and receive an instant Maturity report by clicking on this link.

Note [1] <u>https://clls.org/resource/reflectionschair-</u> <u>march2024.html</u>

About the Authors

Manu Kanwar is a former tech General Counsel, legal consultancy founder and a leadership and organisational coach. His consultancy, LexSolutions, is dedicated to making life in the law better for all those who provide and use it, through flexible legal resourcing, legal operations and programmes around culture. Manu combines his experience as a mindfulness facilitator, design-thinker and relationship systems coach to the work he does with legal teams, law firms and their leaders for a creative, progressive approach which is unique within the legal industry.

Stuart Woollard is a Founder and Council Member at The Maturity Institute. He has over 20 years of experience in helping organizations become purpose-driven and humanpowered. Stuart co-designed the OMINDEX® diagnostic tool, which measures the organizational health and Maturity of companies; showing how firms can build better systems and cultures that drive sustained value. He also co-authored "The Mature Corporation - a Model of Responsible Capitalism", a textbook that offers a new vision and framework for sustainable Total Stakeholder Value creation.

The Law Firm Maturity Index is a unique diagnostic of culture and organisational health. A Lex Solutions and Maturity Institute initiative, it provides evidence and insights to help improve the legal sector and deliver greater benefits to all its stakeholders. You can add your voice to LFMI data and receive an instant Maturity report by clicking on this link.
