

# GETTING THE BEST WORK FROM THE BEST PEOPLE

# A SELF-HELP GUIDE FOR LAW FIRMS ON MANAGING FLEXIBLE TEAMS

#### Who should read this whitepaper

- ✓ Leaders in existing law firms of any size
- ✓ Founders considering building a remote or hybrid start-up firm

#### Why you should read this whitepaper

- ✓ You want to transition your firm to fully remote or hybrid working
- ✓ You want clear and actionable steps to harness the benefits of hybrid teams



# EXECUTIVE SUMMARY

You know your people are the best. You also know that hybrid working is the new way for everyone. You want your people to keep doing great work... So how can you quickly master hybrid and flexible legal teams?

The reality for most law firms after COVID-19 is that unless you become fully virtual or force everyone back into the office full-time, you must learn to work effectively in hybrid and flexible legal teams. This means your team members work:

- in different locations (e.g., office, home, different state or country); and
- at different times (e.g., different timezones, part-time work, compressed hours, etc.).

Although the pandemic has forced us to learn remote working, working in hybrid teams is a completely different ballgame. One where law firms are at a disadvantage.

#### How are hybrid teams created?

Many firms, including global titans like Herbert Smith Freehills, have already announced a permanent shift to allow widespread remote working. In practice, this creates a hybrid team because some lawyers will be in the office while others work remotely.

But without careful implementation and management of hybrid teams, law firms can suffer from the worst of both worlds: the challenges of working in the office as well as the fragmentation and isolation of working remotely or flexibly.

That's why we've developed this guide. We're passionate about helping you master the management of hybrid teams so you can get the best work from the best people and avoid the pitfalls of your competitors. We've combined both research and our lived legal experience to set out five clear and actionable steps to managing hybrid law firm teams:

- 1. Benchmark your team and experiment
- 2. Create new hybrid team norms
- 3. **Build in support structures**
- 4. Cultivate a hybrid culture
- 5. Create a virtuous cycle of change

If you are just starting out, or working from a smaller firm base, you won't need to do a lot of benchmarking, but you will need to consciously build norms, support and culture.

Together, these steps will help you create a system tailored to your team so you can get the best work out of your best people. Which means **better retention of talent, better client service and satisfaction,** 

better workflow management, and better profits.

And who doesn't want that?

Ready? Let's make a start.

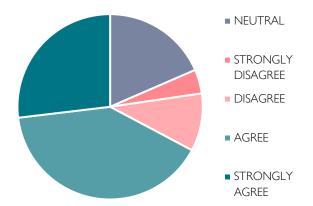
Fionn Bowd
CEO of Bowd

#### – OUR NEW REALITY IS –

## **HYBRID & FLEXIBLE**

You have probably already seen how the staff of 25 law firms responded when they were asked if they'd like to continue working remotely after COVID-19:

- 67.23% either strongly agreed or agreed that they wanted to continue working remotely, even if only for a few days each week.
- 18.49% were neutral, neither agreeing nor disagreeing.
- Only 14.28% disagreed or strongly disagreed that they wanted to continue remote work, i.e. they wanted to go back to the office full-time.



These figures shouldn't be surprising - even before the pandemic, flexibility was a top priority for Australian lawyers. And while the figures above come from a survey of American law firms, similar numbers have emerged in Australia. In internal surveys of law firms, we've worked with, the majority of lawyers want flexibility around remote working. Only the minority want to work fully remotely or in the office 100% of the time. If you are starting or growing your firm, you can assume these statistics apply to the lawyers you want to attract. This means, as we've explored before, that firms currently have three choices:

#### I. BLAST FROM THE PAST

# Once the pandemic ends, go back to the old ways. Keep flexible and remote work as ad hoc rights granted by individual partners, expecting most to work in the office.

#### + Easy and low effort

- Lawyers who value flexibility will jump ship
- Competitive disadvantage to firms that go with Choice 2 or 3
- Can't work seamlessly with hybrid client teams

#### 2. STAY THE COURSE

Continue to allow flexible and remote work generally, largely allowing fee earners to set their own schedule, with no other significant changes to management.

- +Some benefits of flexible and remote work
- + No need to invest in change management
- No strategy for hybrid teams, leading to poorer performance and culture.
- No transformative benefits of hybrid teams

#### 3. TRANSFORM

Invest in understanding hybrid and flexible teams and implementing long-term changes to support them, including radically reimagining ways of working.

- + Clear strategy for hybrid teams and offices, leading to transformative benefits
- + Can reinvest savings from office space to strengthen the firm and increase profitability
- Requires investment in transformation

Given the majority of law firm employees want and expect continued flexibility after the pandemic, we think Choice I is a clear path to disengagement. Which means poorer quality work, less efficiency, and a higher likelihood other firms will poach your star performers.

LOEB Leadership, The Legal Industry's Handling of the Disruption Caused by COVID-19, the Findings Report May 2020.

<sup>&</sup>lt;sup>2</sup> Michael Page, Australia Salary Benchmark 2020.

### Firms must embrace hybrid teams to stay ahead in the war for talent

The reality is that many firms, including global leaders such as DLA Piper, have already announced they will continue to embrace flexible work. This is good news for both the lawyers who want to keep flexibility and the firms who want to attract and retain the best people.

However, established firms face a choice between simply staying the course and allowing flexibility without investing in management (Choice 2), or investing the time and resources to truly transform and reap the benefits of hybrid teams (Choice 3).

### Investment will determine whether your hybrid teams succeed or fail

Hybrid teams require a serious amount of investment. It's not as simple as just having the technology for remote work in place. As FlexCareers CEO Joel McInnes has remarked:

Leaders are yet to face their toughest challenge... The really hard part will actually come when we have hybrid teams - where some employees work in the office, and others at home.<sup>3</sup>

#### Simply offering flexibility and remote work is not enough

Before COVID-19, the vast majority of firms had flexible and remote working policies. But in practice their implementation depended on the particular partner or team's views and norms around work. That's why many lawyers believe firms publish flexible work policies with good *intentions*, but fail in their implementation.<sup>4</sup>

We've already seen this schism as offices reopen and some teams stay remote while others flood in, influenced by partners who still think working full time in the office is the best way of working for everyone.

And it's not just law firms. Then-CEO of Yahoo!, Marissa Meyer, made headlines back in 2013 when she banned employees from working from home after Yahoo! had been ahead of the pack allowing flexibility. This shows that even Silicon Valley tech companies can struggle with the challenges of managing hybrid teams.

### Getting hybrid teams right is a game-changing competitive advantage

It's no secret that legal resourcing is one of the biggest challenges facing law firms. As we've said before, almost every problem experienced by law firms today comes down to the simple equation of not enough lawyers when you need them and too many lawyers when you don't.

A substantial part of the legal resourcing challenge is finding good people and retaining them. And when workers are satisfied with their level of flexibility, they're *three times more likely* to stay with their current employer than dissatisfied flexible workers or workers without any flexibility at all.<sup>6</sup>

That's why it's so important to get the management of hybrid teams right. Because they can either help your best people do their best work with the flexibility they need... or they can become an unmitigated disaster.

<sup>&</sup>lt;sup>3</sup> Natasha Boddy, <u>How companies can bring the water-cooler chat to working from home.</u>

<sup>&</sup>lt;sup>4</sup> The Law Society of New South Wales, <u>Flexible Working: A more flexible, more diverse profession at all levels</u>.

<sup>&</sup>lt;sup>5</sup> Chelsea, Mize, Why Remote Work Policies Fail for Some Employers.

<sup>&</sup>lt;sup>6</sup> Diversity Council of Australia, <u>The State of Flex 2020</u>.

#### - WE'RE HEADED FOR -

## A HYBRID DISASTER

#### Hybrid teams can be heaven... or hell

When Sid Sijbrandij, CEO of GitLab was asked to write about his experience seeing companies go hybrid and fail, he called his article "Hybrid Remote Work Offers the Worst of Both Worlds." He wasn't exaggerating.

The challenge of hybrid teams is that when you don't invest in changing the firm to support the hybrid experience, established in-office norms and processes will be applied to those working remotely or flexibly. This disadvantages almost everyone, including of course the stars you attracted or hoped to retain with hybrid and flexible teams. In Sijbrandij's words:

Hybrid creates two fundamentally different employee experiences to manage... those who do hybrid, if not intentional about making systemic changes and treating every employee as if they are remote<sup>8</sup> (whether in-office or not), will see their most effective remote people leave.<sup>9</sup>

Here's just a glimpse of what can happen, from real teams who went hybrid and succeeded or failed. 10

	NEGLECTED HYBRID TEAMS	MANAGED HYBRID TEAMS
KEY QUOTE	"What we underestimated was the effort that the entire company would have to make to make remote work work."	"The secret to making hybrid teams work is by making everyone on the team feel included. Have a clear vision and guidelines." 12
WORK RESULTS AND EFFICIENCY	Without support, everyone faced challenges communicating and coordinating matters and working schedules, leading to inefficiency and wasted time.	Efficiency increased because everyone was supported to work at the times and places where they did their best work and were most satisfied.
COMMUNICATION	Communication became a challenge, with differences in working styles becoming more acute, balls getting dropped due to mistaken assumptions, and conflict from misinterpreting written communication.	With the right norms, technology and processes, people could choose the right method of communication for the type of work and urgency required, ensuring everyone was kept up to date despite different schedules.
RELATIONSHIPS	Remote workers missed out on the ad hoc team meetings and lunches that build relationships, leaving them feeling disadvantaged and disengaged.	With structured hybrid and in-person social events, people could continue enjoy strong relationships. Remote work actually forced deeper ties.

<sup>&</sup>lt;sup>7</sup> Sid Sijbrandij, <u>Hybrid Remote Work Offers the Worst of Both Worlds</u>.

<sup>&</sup>lt;sup>8</sup> Emphasis ours.

<sup>&</sup>lt;sup>9</sup> Sid Sijbrandij, <u>Hybrid Remote Work Offers the Worst of Both Worlds</u>.

<sup>10</sup> Ilma Nausedaite, Office and remote: Overcoming the challenges of hybrid teams; Ben Cheng, Why our company's remote work system failed.

<sup>11</sup> Ben Cheng, Why our company's remote work system failed.

<sup>12</sup> Ilma Nausedaite, Office and remote: Overcoming the challenges of hybrid teams.

### If great hybrid teams require systematic change, most law firms are in a lot of trouble

So, experts who have seen hybrid teams succeed and fail are clear in their message that hybrid teams require substantial changes in the way they work and how they're managed. But by and large, it looks like the majority of law firms are just planning to let people work a few days or more remotely as they like, and then carry on as they have before.

This is a problem. Because as Sijbrandij identified, hybrid teams not only require a lot of work to manage two different employee experiences, they also require a fundamental change the office-based rules, processes, and ways of working firms have always followed. And let's face it: change in law firms is hard.

Success with a remote workforce, hybrid or fully remote, requires operational intentionality. Unquestioningly sticking to systems and processes that made an office-based model successful will doom any remote model to fail. 13

If you are just starting up or making changes to a smaller firm, you have the advantage of having little to 'undo'. But you will still need to consciously build a hybrid way of working for your team. More on that later.

#### Law firms face three main challenges to hybrid teams

COVID-19 has ushered in an unthinkable amount of change to the way we work. But even a global pandemic can't change deeply rooted mindsets or problematic structures. Within law firms and the lawyers within them, there are 3 myths, mindsets and structures that must be dismantled to properly implement and support hybrid teams:

- I. The supremacy myth of full-time office work
- 2. The cost of management mindset
- 3. Structural resistance to change

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<sup>&</sup>lt;sup>13</sup> Sid Sijbrandij, <u>Hybrid Remote Work Offers the Worst of Both Worlds</u>.

#### - CHALLENGE #1 -

# THE SUPREMACY MYTH OF FULL-TIME OFFICE WORK

### Many lawyers still believe full-time office work is inherently better

The pandemic has dispensed with the myth that lawyers who work remotely can't be trusted to do the work, or that remote work by its nature is less effective and efficient. But many lawyers still believe full-time or close to full-time office work is superior to any other model.

This is a significant problem because such a belief fundamentally undermines the model of hybrid teams. It also creates the 'office-centricity' that experts caution against with hybrid teams, since it inevitably leads to remote and/or flexible workers being disadvantaged or treated as 'second-class citizens'.

There are two halves to this myth: the supremacy of office, and the importance of working full-time. Let's deal with the office first.

#### The office isn't always the best place to work for everyone

The pandemic has shown us that some people work better at home (even in the midst of a global health crisis, which is hardly normal conditions to work from home). Some others work better in the office. This makes absolute sense. Perhaps home is chaotic and the office provides much-needed boundaries, or perhaps they feel more energised in the office. For others, home is a sanctuary where they can actually concentrate. There's a reason lawyers often come into work early, stay after business hours, or even deliberately choose to come in on weekends. The office is full of distractions, and it is often impossible to concentrate on doing deep work in the office between 8am and 6pm.

So why is the belief that the office is best still so prevalent? Here's Sijbrandij's take:

Despite recent successes with remote work, employers are reopening offices to some of their employees to encourage social bonding, reinforce culture, and increase business collaboration. The assumption underlying these reopenings is that some critical things can't be done as effectively outside the office. 14

<sup>&</sup>lt;sup>14</sup> Sid Sijbrandij, <u>Hybrid Remote Work Offers the Worst of Both Worlds</u>.

We suspect lawyers fear long-term remote work because we are consciously or unconsciously afraid of losing the social ties that make us good at our jobs. We invest in building trust with our colleagues and clients and this is critical to our role as advisors. It's also the case that so much of what we do relies on communication and delegation and we simply cannot do these effectively without trusting our team, and understanding them.

The thing is, we don't actually have to be in the office to bond, create culture, or collaborate. If we did, hybrid or fully remote-working companies would never make the Fortune 500 or be able to deliver ground-breaking technology. Lawyers need to acknowledge the truth of that and work harder at understanding ourselves.

The risk of an office is it can make us *lazy*. We assume that a shared space is enough to help us work together and create a culture. <sup>15</sup> But a shared space is no substitute for a strategic and thoughtful plan to build a meaningful culture in which everyone can participate. To delve more into this, check out our article <u>Beyond</u> Remote Work for Law Firms: The Transformation of Where (Part 2).

Speaking of dangerous assumptions, let's tackle another one.

#### The part-time work fallacy

Perhaps one of the best-kept secrets of law firms is that part-timers are usually less profitable than full-timers. It's harder to consistently meet budget as a part-timer, and harder again to bill over your billable targets. And it's those extra hours (of time worked above budget) where firms make the most profit. On top of this, part-timers often face 'flexism': discrimination against workers who access or ask for flexible work. <sup>16</sup> Despite the best efforts of law firm management, part-timers are often seen by their team members as not being committed enough to their careers or 'worth' the extra management effort, so they get fewer opportunities and miss out on promotions. <sup>17</sup> There's also a longstanding belief (acknowledged or not) that part-time workers struggle to deliver the best work and client service.

However these beliefs are wrong. In fact, research on lawyers points to flexibility *improving* the quality of work. For instance, recent NSW Law Society research demonstrated that flexible lawyers were more efficient and effective in the time they had compared to lawyers working full-time. <sup>18</sup> This is mirrored in research undertaken by Consulting firm Nous on its own staff. They not only found their part-timers were more likely to work longer hours (pro rata) than full-time colleagues, some part-timers were also amongst their highest performing consultants. <sup>19</sup>

Further, part-time lawyers are usually experienced and valuable senior associates or partners. These are the people who have the client relationships, who mentor junior lawyers and who are usually a key cog in the practice of their partner. If you can fix the revenue minus overhead disparity that makes part timers eat more revenue relative to what they earn, then you can leverage the part timer upsides without the downsides. One of the reasons we say hybrid working will make you more money is because done properly, you will reduce overheads

Part-time and flexible lawyers are not liabilities. They're exactly the type of high performers firms should be seeking to retain.

Unfortunately, that's not how many part-time lawyers are treated. Instead, they are often pressured to return to full time hours as soon as possible, or left to flounder, and sink or swim on their own. Which is a terrible mistake for many reasons, but not least because if lawyers are

<sup>&</sup>lt;sup>15</sup> Sid Sijbrandij, <u>Hybrid Remote Work Offers the Worst of Both Worlds</u>.

<sup>&</sup>lt;sup>16</sup> Vanessa Vanderhoek, Hayley Windsor, Tanja Meyerhofer, <u>Flexible Working: what's working and what's not?</u>

 $<sup>^{\</sup>rm 17}$  Sarah H Norgate, Cary L. Cooper, Flexible Work: Designing our Healthier Future Lives.

<sup>&</sup>lt;sup>18</sup> The Law Society of New South Wales, <u>Flexible Working: A more flexible, more diverse profession at all levels.</u>

<sup>&</sup>lt;sup>19</sup> Nous Group, <u>High performance part-time – is it possible?</u>: Sarah H Norgate, Cary L. Cooper, Flexible Work: Designing our Healthier Future Lives.

### What if everything we thought about full-time work was wrong?

That's what Erin Reid, a Boston University professor, discovered when she studied a high-powered US consulting firm. <sup>20</sup> While she didn't look at a law firm, the firm she studied had many similarities in work, structure and culture to a typical large firm. It offered advisory services in multiple areas and relied on small teams headed by partners to complete projects over a period of weeks or months. Consultants were expected to drop everything for clients and work evenings and weekends.

In this environment, those who asked for flexible work (the majority of them women) were punished for it in their performance reviews. But here's what's really shocking.

Reid found nearly I in 3 of the men (and I in I0 of the women) seen as 'high performers' by both colleagues and clients were faking their 80 or 90-hour workweeks.

What? How? Well, they employed a number of strategies: angling to work with clients who required less travel or were located closer to home, not calling attention to when they left work to spend time with their families, and even collaborating with their team members in secret so everyone could work more flexibly and still have sufficient client coverage. Using these techniques, these (mostly male) workers managed to work 50-hour weeks unnoticed, while still receiving the same strong performance reviews as their colleagues who worked above 80-hour weeks.

So it turns out there is a lot more to high performance than hours spent in the office.

### If you don't give full-time workers flexibility, they will cheat

In every high-performance company that cares about presenteeism, people will find ways to take that which is not given freely. Sheryl Sandberg is a good example: while she routinely worked 12-hour days at Google, when she had her first child, she began leaving the office before 7pm. She hid this by employing tricks such as leaving a jacket on the back of her chair and her computer turned on. Her subterfuge continued for years, until she confessed to a reporter that she regularly left work at 5.30. This is closer to home than we realise because it was the women of the legal team at Yahoo! Inc who then sent her flowers, saying that they had been doing the same thing. <sup>21</sup>

Our CEO also remembers junior lawyers swapping tips on how to leave the office while still looking like they were at work (one of which included the 'jacket on the chair' strategy, long before Sandberg told her story).

<sup>&</sup>lt;sup>20</sup> Neil Irwin, <u>How Some Men Fake an 80-Hour Workweek, and Why It Matters.</u>

<sup>&</sup>lt;sup>21</sup> Andrew Barnes with Stephanie Jones, The 4 Day Week: How the Flexible Work Revolution Can Increase Productivity, Profitability and Well-being, and Create a Sustainable Future.

### The science is in: working long hours doesn't give you the best work

There are two possible conclusions to draw from the examples above. The first is that the way the US consulting firm assessed high performance was flawed, and the 80 hour a week workers were better at their jobs than the 50 hour a week people with the same performance rating. Also, that Sheryl Sandberg and Yahoo! Inc's legal team (and the graduates at a top tier Australian firm, many who are now partners) are low performers with no career commitment or ambition.

The second is that Reid's study and Sandberg's story simply mirrors what scientists know and what lawyers need to admit: that working long hours doesn't actually produce the best work.

A Stanford University study shows that productivity rates decline sharply over 50 hours of work a week, so much so that those who work 70 hours a week get the same amount done as those who work 55. <sup>22</sup> And that's not even taking into account the *quality* of that work. We've all heard that driving while tired is the same as driving drunk. But it only takes 17 hours without sleep – say, from 7am to 12am, for cognitive performance to be equivalent or worse than someone with a BAC of 0.05%. <sup>23</sup> Yes, you read that correctly. It's hard to argue that we're capable of doing our best legal work when our minds are performing at the same state in which we are not legally allowed to drive. But that's exactly what lawyers expect of ourselves and of each other. We genuinely believe ourselves to be superhuman. We are quite sure that the rules that apply to ordinary mortals do not apply to us. And as long as this harmful fallacy exists, we'll continue to *not* get the best work out of ourselves or our lawyers.

<sup>&</sup>lt;sup>22</sup> John Pencavel, <u>The Productivity of Working Hours</u>.

A Williamson and A. Feyer, Moderate sleep deprivation produces impairments in cognitive and motor performance equivalent to legally prescribed levels of alcohol intoxication.

#### – CHALLENGE #2 –

# THE COST OF MANAGEMENT

We saw earlier that poorly managed distributed teams face the worst of both worlds. However managing successful hybrid and flexible teams takes work. That's one of the reasons law firms were previously so reluctant to implement widescale remote or flexible work before the pandemic, despite significant pressure from employees.

It also explains the disparity between practice groups and partners on flexibility pre-pandemic: some were prepared to pay the price, and some were not. Because when flexibility isn't supported firm-wide, partners who allow flexibility suffer personally and professionally compared to those who don't. Here's why:

	FULL-TIME WORK	AD HOC REMOTE AND FLEXIBLE WORK	WHY?
MANAGEMENT BURDEN	<b>L</b> ower	Higher	Partner(s) / other team members must manage and navigate non-standard hours
OVERHEADS	<b>S</b>	= <b>1</b> Same or Higher	Overheads are usually allocated per headcount and those working part time have a higher overhead ratio (i.e. lower profit) e.g., office space is the same whether full time or part time
LEVERAGE PER LAWYER / ADDITIONAL HOURS ABOVE TARGET	<b>t</b> Higher	Lower	See the <u>Part Time Work</u> <u>Fallacy</u> above

So partners, or firms, who allow flexible work tend to be less profitable (unless they do something about their overheads). They carry the same fixed costs, have increased management burden, and have the same or lower leverage. The more part timers a practice group carries, the lower the profitability of that practice group. And for a partner in a large firm, less profitability means less equity share, less political influence, less autonomy, and potentially a lower allocation of firm resources. No wonder firms have struggled to support remote and flexible work!

It doesn't have to be this way, and like it or not, we are now at a crossroad. Thanks to the pandemic, the old model of primarily full-time in office work is going the way of the dinosaur. But the costs of remote and flexible work to firms and partners are real. There is nothing to be done but accept these challenges and solve the problems created by this kind of work, lest our firm becomes extinct too.

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#### – CHALLENGE #3 –

# RESISTANCE TO CHANGE

#### Change management is hard

There's a reason 'change management' exists as a concept. People don't like change (and it often doesn't happen smoothly). People in law firms like change even less than most. But we think it's unfair to blame lawyers for being risk-averse and stuffy, given how much innovative legal work is flying around. The problem is that the structure of law firms - with their partnership model, siloed practice groups, and sub-teams - isn't exactly conducive to widespread change. We're not going to tell you to dismantle the partnership (at least, not today). We're just saying we all need to be honest with ourselves about the specific challenges for firms. Even smaller firms or start-ups face these problems because all lawyers are trained within structures like these, and we carry them with us wherever we go.

Anyone who's ever worked in a law firm has seen resistance to change in practice. New technology or practice areas are greeted with annoyance or apathy. Designated 'change leaders' send around increasingly desperate emails pleading for people to get involved. Training sessions remain practically empty, or only attended by juniors and graduates. And that is for changes approved by the partnership! How many big ideas have been dreamed up and allocated resources, only for an influential partner to skim-read the proposal and declare it won't work for their team? And how many others are caught in limbo when partners can't agree?

This is a real challenge for implementing distributed and flexible teams, because of the level of investment required. There's a real risk that once everyone agrees and the firm attempts implementation, everyone gives up too soon because they don't see results quickly enough.

#### But we have to change

I am the only partner in a group of six who works full time. The others in the group have a combination of flexible work arrangements. They manage their own systems and have terrific assistants... all partners have an awareness of all matters so any emergencies can be dealt with.<sup>24</sup>

- Female Partner, large Australian law firm<sup>25</sup>

The truth is, many of the myths and beliefs that undermine flexibly working teams are actively harmful to us. They've gotten us to where we are: overworked, and with skyrocketing rates of burnout, anxiety and depression. And it doesn't take much to topple the house of cards if you try.

<sup>&</sup>lt;sup>24</sup> Sid Sijbrandij, <u>Hybrid Remote Work Offers the Worst of Both Worlds</u>.

<sup>&</sup>lt;sup>25</sup> Law Society NSW, <u>Flexible Working: A more flexible, more diverse profession at all levels.</u>

MYTH	REALITY
Office work is always best for work and client service	Many partners and senior lawyers spend most of their time during business hours in court, with clients, or travelling interstate and overseas. Their teams (and their clients!) already work around the fact they aren't available during certain hours — or are working within different timezones — for weeks, months and even years at a time. Some firms have partners or senior lawyers who work across two offices, and no-one says the client suffers.
Hybrid teams don't work in law – we can't do our best work this way	If you've ever worked on a deal across states or international borders, then you've worked in a hybrid team. Every day, lawyers in large commercial law firms work with legions of people they have never met in person. These are clients, colleagues, and counterparts – and they are located around the world in different cities, states, and countries, usually across timezones. We do it without blinking. Indeed, the challenges and the glamour of these kinds of deals or transactions are half the fun of big law firm life.
	When we work like this, we work flexibly and asynchronously. We work around timezones, weekends that fall on different days (the Shabbat on Fridays, Friday and Saturday weekends in many Muslim countries), religious and cultural holidays (such as Chinese New Year, Christmas, Ramadan), and we don't think twice about the fact we "can't see each other" or be in the same room. This is already something we do, and one of the reasons we are so good at our jobs is that we do it bloody well.
	Even if this isn't true for your team or your firm, you can't deny that it's possible. If it can be done on high stakes global deals, it can be done in almost any practice.
Part-time workers aren't as valuable or committed as full-time workers	As we discussed earlier, this is patently false. Research shows part-time workers are more efficient and organised. And in law firms, they're often more senior. This means they're exactly the type of experienced and talented lawyer that firms need to retain, to keep clients connected to the firm, junior lawyers supported, and to add value outside of billable hours including through brand development and practice management. Firms also need to recognise that retaining senior women is essential to the pipeline of juniors below them. If junior women can't see a sustainable pathway being modelled, most will leave long before they start a family.
Hybrid, flexible work always leads to lower	Lower profitability isn't inevitable. As we've talked about before, committing to hybrid teams gives firms the freedom to reimagine the office. If managed properly, money saved from cutting space that provides less value can go towards leveling the overhead allocation between part timers and full timers to improve or preserve profitability.
profitability	Some savings should also be reinvested in managing employees. The work of management doesn't just have to fall on partners either. There are a host of resources that can reduce the management burden, including hiring practice managers or leveraging more tools such as workflow software. Some firms have already picked up on these tools to assist with working during the pandemic. <sup>26</sup>
	Firms may also achieve better profitability through better retention and better work. The value of better work is self-explanatory, but we should recognise that the costs of losing people can be eye-watering. It's been estimated that attrition can cost up to 400% of the base salary for specialist employees like lawyers, which means the potential cost of losing a lawyer you pay \$120,000 could be \$480,000. <sup>27</sup> And with an average annual turnover in law firms of 21% for fee earners, <sup>28</sup> a law firm with 80 fee earners earning an average of \$120,000 potentially loses up to \$8 million each year. For such a firm, even reducing turnover down to 15% could lead to increased annual profits of up to \$2 million.

Jane Croft, Covid-19 reinvents law firm offices as hubs for teamwork and socialising.

Jodi Standke, Attrition vs Retention: 6 Steps to Secure Your Firm's People Assets.

Legal People, Recruiting Trends for the Legal Industry in a Changing Workforce.

#### We can't let the fear of change stop us

It's hard to change long-held beliefs and mindsets. People can dig their heels in. Some can play along, but not invest. But change in law firms can clearly happen, even if it takes a pandemic. We proved that when we all managed to move to remote work astonishingly quickly. That's because the problem was never with the logistics or practicality of change. As Basecamp founders Jason Fried and David Henemeier Hansson wrote in their bestseller *Remote: Office Not Required*:

The technology is here; it's never been easier to communicate and collaborate with people anywhere, any time... [t]he missing upgrade is for the human mind.<sup>29</sup>

But how do you upgrade the human mind? That's what we'll talk about next.

<sup>&</sup>lt;sup>29</sup> David Henemeier Hansson and Jason Fried, Remote: Office Not Required.

#### - HOW TO -

# BUILD GREAT HYBRID TEAMS

### Successful hybrid teams are absolutely achievable... for law firms and teams willing to experiment

How do you implement great organisational – and psychological – change? Fortunately, there's a lot of evidence-backed research to help us.

In bestselling author and research Jim Collins' seminal work, *Good to Great*, he looked at how 1,435 companies performed over 40 years. This let him hone in on the 11 great companies that vastly outperformed the market and their competitors during that time.

All of these companies faced setbacks and challenges. But one of the elements that distinguished the 'great' companies from the merely 'good' ones, was how they implemented change. In Collins' words:

Those who launch revolutions, dramatic change programs, and wrenching restructurings will almost certainly fail... the good-to-great transformations never happened in one fell swoop. There was no single defining action, no grand program, no one killer innovation, no solitary lucky break, no miracle moment. Rather, the process resembled relentlessly pushing a giant heavy flywheel in one direction, turn upon turn, building momentum until a point of breakthrough, and beyond. 30

Collins' findings are backed up by research from other experts, including Peter Sims in his bestseller *Little Bets*, and Nobel Prize winner Richard H Thaler and Cass R Sunstein's *Nudge*. So we've used a step-by-step, methodical approach to change to develop our five steps to transformation.

#### Creating a Virtuous Cycle

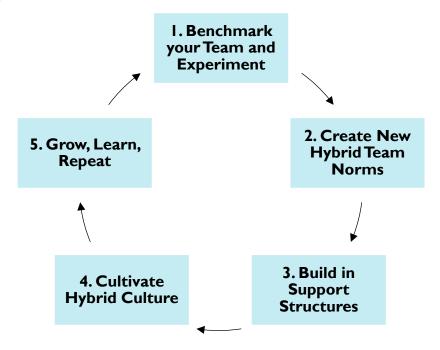
There's no one-size-fits-all-answer to change. Not when even sub-teams within practice groups can have wildly different cultures and ways of working, and every firm of any size is unique.

But there is a tried and tested *process* to implementation. We've taken this process and combined it with leading advice on managing remote and distributed teams together with our experience and knowledge of law firms.

We call it 'The Virtuous Cycle'. It's a series of five steps that build on each other and are designed to be repeated. Each time they're repeated, the momentum of change builds, until eventually the change takes on a life of its own. Just imagine pushing a boulder or, to use Jim Collins' metaphor, a flywheel, like those attached to a potter's table, a children's playground turntable or even the flywheel on an exercise bike that makes the first few spins hard work. The first few times you roll the boulder or push down on a flywheel, you're fighting against inertia and gravity. But eventually, with enough consistent repetitions, gravity itself starts working for you and you have momentum.

<sup>30</sup> Jim Collins, Good to Great.

This is how you overcome law firm inertia and change management pitfalls. You need to follow these 5 small, strategic steps:



We set out these steps in more detail below, along with examples that have been tried and tested by other teams and organisations. If we want to get the best work from the best people, we need three fundamental ingredients:

- I. A level of technological connectivity and expertise that enables people to work effortlessly together, no matter where they are.
- 2. The right culture, team norms, and processes in place to support distributed and flexible workers.
- 3. The right practical and logistical setup to allow people to work effortlessly wherever they are.

Ok? Onto Step 1.

#### - STEP I -

# BENCHMARK YOUR TEAM & EXPERIMENT

#### Benchmark your team

Before changing the way your team works, we believe you need to benchmark how it currently works. This creates a baseline to measure progress against and highlights areas you want to keep or change. It's important to know the things that really matter to your team, so you don't inadvertently miss the secret sauce that makes your team great.

We recommend diving as deep as you can into how everyone worked when they were all in the office (or in a new team, how each person worked elsewhere), as well as when they were working remotely.

#### **EXAMPLES**

- What are the teamwork patterns? E.g., who works closely together, and how often do they do so? How much time is spent working alone versus working together? <u>You may be</u> <u>surprised at the answers.</u>
- What are the team norms? E.g., when does everyone generally start work? How do people communicate instructions and deadlines? How do members bring up issues or make suggestions?
- How does everyone connect with the team or firm? E.g., is there a cadence of weekly or fortnightly meetings? What social events do your people value most?

Once you've benchmarked how your firm or team works, it's time to capture their feelings about hybrid and flexible work.

Yael Zofi recommends running the following exercise: circulate a list of opportunities and challenges for hybrid and flexible teams and have people nominate their top three opportunities and challenges.<sup>31</sup> To get you started, we've provided a sample table on the next page based on Zofi's list.<sup>32</sup>

<sup>&</sup>lt;sup>31</sup> Yael Zofi, A Manager's Guide to Virtual Teams.

<sup>&</sup>lt;sup>32</sup> Yael Zofi, A Manager's Guide to Virtual Teams.

	HYBRID TEAM OPPORTUNITIES	HYBRID TEAM CHALLENGES
AUTONOMY	Hybrid and flexible teams offer a higher degree of autonomy for members.	Partners may struggle to manage the team, and individual lawyers may feel less connection to each other and the firm.
FLEXIBILITY	Flexibility allows for a better worklife balance.	When work can occur anywhere at any time, it can interfere with personal life.
COMMUNICATION	Communication in hybrid and flexible teams is often in writing, which makes documentation easy.	There's a greater risk of misinterpretation and conflict due to lack of verbal and visual cues.
VISIBILITY AND EXPERIENCE	Hybrid and flexible teams allow lawyers to work better across different partners, offices, and even countries, leading to more experience and exposure.	Those who work more regularly out of the office may find they and their work loses visibility, which means they are less likely to get picked for certain projects.
BETTER WORK	Being able to choose where to work lets lawyers do better work, i.e., work requiring deep focus at home, work requiring collaboration at the office.	It requires more effort to manage and coordinate work requiring collaboration, and people can miss out on casual office interaction and subtle team building.
TECHNOLOGY	Technology applications like databases, project management, and chat rooms make it easy for everyone to see what people are doing and communicate.	Technology can be difficult to decide on, set up and learn, and requires investment in equipment, support, and training.
TRUST	People feel personally valued and trusted to work alone when and where they choose.	It takes more work to establish and maintain trust within the team as a whole.

Once everyone has nominated their top opportunities and challenges, discuss the findings, allowing people to voice their concerns and hopes. This, together with your earlier work, should give you a good idea of how to design your experiments to address the most important opportunities and challenges for your particular firm or team.

#### Experiment with how and where you work

Once you've got a benchmark on where you are and what's important, you can agree ground rules to experiment with changes. We set out our ideas in the next four steps. But in general, here's what's important to keep in mind:

- Take time to design experiments to ensure they meet your strategic needs, but resist the urge to create the 'perfect' experiment. It's incredibly important to design the experiment well, with clear goals, measures, and review mechanisms. 33 But it's also important to resist our natural inclination toward perfectionism when it comes to experimenting. As Dominic Price, work futurist at Atlassian says: "Ignore perfection because it will kill innovation. We've got to experiment with imperfection, and so many leaders struggle to do that. It's not fail fast. It's learn fast." 34
- **Give experiments enough time.** To take into account adjustment periods, experts recommend a minimum of six weeks to three months so that people can really get a feel for the difference.<sup>35</sup> After all, even if you love always working in the office or love always working remotely, there will be good days and bad days. You need long enough to distinguish between what's normal and what's an outlier.
- It's essential to have enough people involved. The best way to guarantee a failure is to pick just one employee who gets to try working remotely or flexibly. Three months later, you can be moan that it didn't work out because they no longer felt connected. The aim is to create teams where everyone is working in a hybrid or flexible way, so at a minimum you need an entire practice group or team to run the experiment. If you are a small firm, there's no reason why you shouldn't roll out to the whole firm at once.
- Experiments decrease risk, but don't eliminate it. The best thing about experimentation is it decreases the risk in a big firm of implementing a huge firm-wide change all at once or in a small firm, of biting off more than you can chew. But accept that even small experiments can carry risk. Trying out a different team norm may create conflict that needs to be addressed. And when you're experimenting with something like office space sometimes emotions can run high. There may also be costs of changing leases and risk of potentially giving up too much or too little space. Assess and minimise these risks, but understand that worthwhile experimentation is rarely risk-free.
- Don't work alone. All of this can seem like a lot of work to handle when you're already running a busy legal practice. But there are other options. You could hire or utilise existing practice managers, innovation officers, or external consultants to do the bulk of the work. We like the idea of offering the opportunity internally to one of your team's lawyers as a 6 or 12-month secondment, so you get your most capable, organised and passionate lawyers who understand your team and firm to lead the charge. Just make sure their existing work is appropriately backfilled or parcelled out so they actually have time to devote themselves to implementing the change and learning their role.
- Don't give up. As with everything in life, there will be ups and downs to experiments. Some will fail. Some will seem to fail, but in hindsight be successes. But it's important to stay the course and persevere through bad days and experiments. Otherwise you lose buy-in. People will become convinced this is just a 'flavour of the month' or temporary change. And any momentum you might have gained by pushing down on the flywheel will slowly peter out.

<sup>&</sup>lt;sup>33</sup> Stefan Thomke and Jim Manzi, <u>The Discipline of Business Experimentation.</u>

<sup>&</sup>lt;sup>34</sup> Sally Patten, <u>How much time do you really need to spend in the office?</u>

<sup>&</sup>lt;sup>35</sup> David Henemeier Hansson and Jason Fried, Remote: Office Not Required.

<sup>&</sup>lt;sup>36</sup> David Henemeier Hansson and Jason Fried, Remote: Office Not Required.

#### **Actionable Examples**

# BENCHMARKING

# EXPERIMENTATION

- I. Circulate an online firm or team survey asking people to select what they see as the top three benefits and challenges of hybrid and flexible work.
- 2. Hold listening sessions in smaller groups (we'd recommend no more than 10 to avoid stifling discussions). It can be beneficial to have these groups facilitated by an innovation officer or an external consultant to ensure people speak up, and also that partners themselves are part of the process. An appointed senior partner could also attend these as an observer so they get a deeper understanding of motivations and concerns and can verify the findings to the rest of the partnership.
- 1. Pick the top two areas identified by your benchmarking as being important to change and start experimenting there.
- 2. Choose the right team or choose the right subject matter for your experiment. For example, when experimenting with how to implement remote and flexible work, American Fidelity Assurance found a pilot group team they felt was a 'natural fit'. 37 They used this pilot to determine whether there was a business case for the change (there was) and figure out all the technology and infrastructure requirements they needed to implement remote and flexible work across the company. Then they made sure all the required technology and infrastructure was in place before they rolled out the program to the whole company. The pilot group also became enthusiastic change advocates across the company, pointing out how much their productivity had soared.
- 3. For a smaller firm, or team-based experiment, start with one change. Every person could work one day at home a week based on a roster, with one day that everyone is in the office. Help solve obvious problems before starting (like give people laptops!), set a time period for the trial, and then run it. Then use surveys and listening sessions to hear how it went, and move to the next stage of problem solving.

 $<sup>^{\</sup>rm 37}$  David Henemeier Hansson and Jason Fried, Remote: Office Not Required.

#### - STEP 2 -

# CREATE NEW HYBRID TEAM NORMS

#### You need new norms and processes

Whether you're aware of them or not, your team currently has certain norms and processes.

- **Team Norm examples:** Everyone is a night owl who comes into work at 9.30am, email is the preferred method of communicating.
- **Team Process examples:** The best way to get work in front of a particular partner is setting time in their calendar, team members always call the client before organising a meeting.

Experimenting with and changing your team norms and processes to adjust to hybrid and flexible work is absolutely critical. It's one of the most effective ways of managing the communication and social challenges of hybrid and flexible teams, because you're essentially automating the solutions into the way everyone works.

In particular, it helps alleviate the lack of 'context communication' within a team when some members are working remotely or flexibly.<sup>38</sup>

#### How important is context communication?

Here's a powerful example.<sup>39</sup> Imagine you've recently hired a senior associate named Maria. Over the few months she's worked for you, she's become the point person for key client AHT. She's also working for you on a matter with another client, Om Media.

One morning at 9.30am, you get a call from Om Media asking you to attend a meeting with their senior executives tomorrow. It would take you two hours to trawl through emails and piece things together yourself, so you want Maria to give you a key run-down of what you need to know.

Here's how things might play out depending on if a) Maria is in the office, giving you contextual clues and background knowledge of how she works, or b) She's working mostly remotely so you haven't had a chance to observe when and how she works, and you haven't implemented any norms or practices to address this.

<sup>&</sup>lt;sup>38</sup> Yael Zofi, A Manager's Guide to Virtual Teams.

 $<sup>^{\</sup>rm 39}$  Adapted from Yael Zofi, A Manager's Guide to Virtual Teams.

#### MARIA IN THE OFFICE

- You saw Maria this morning running to an urgent call with AHT. You can also see her desk is overflowing with paperwork, and her phone keeps ringing every hour.
- You bump into another team member, Bruce, who mentions to you that Maria was complaining about a major AHT deadline at 5pm, and that she seems quite tied up.
- You know from experience that Maria always leaves the office at 5.15pm sharp so she can pick up her sons from their after-school program. Which is fine, because you also know that she'll log in again at 7pm once they're settled to keep working.
- You decide based on all these cues to either shoot her an email asking for the information you need, trusting she'll get to it after 7pm in time for your meeting tomorrow morning, or catch her in the 15 minutes between 5pm and 5.15pm to quickly discuss.

#### MARIA WORKING REMOTELY

- You decide to email Maria after your call with Om Media, at 9.45am, asking her to give you the information you need. You tell her that you need it by tomorrow morning.
- Because it's not a huge amount of work for her, you expect it to only take her around 15 minutes.
   But three hours later, there's still nothing in your inbox – not even an acknowledgement.
- You call her to follow-up. It goes to voicemail. You leave a message asking her to call you back.
- By 5pm, you're starting to get seriously worried that she might not get it done in time, since she hasn't responded to your emails or calls. You decide to put off other work you need to do and spend the two hours trawling through emails to piece everything together yourself.
- At 7.15pm, after you've already done the work,
   Maria sends you an email with the information you need.

Creating team norms and processes doesn't have to be complicated. All they need to do is avoid miscommunication and misunderstanding or like in the case of Maria, an absence of communication altogether. She knew she would get to the task, but there was no team process that required her to acknowledge your email and let *you* know that. That simple requirement would have saved you both wasted work and a great deal of frustration.

You can also use your benchmarking exercise in Step I to decide which team norms or processes to experiment with first.

#### **Actionable Examples**

# Establish communication expectations 40

- Urgent queries requiring attention ASAP should be communicated via a call.
- Relatively urgent queries that need to be responded to within a few hours should be communicated through a chat app.
- Best practice response times are agreed and team members should always reply to acknowledge all queries through email.
- Have separate informal group chats to allow casual communication, while keeping a channel for important team communication.

Establish a process to delegate or communicate work<sup>41</sup>

If the instructions are complex, lawyers could send an email or a video message then schedule a phone call to talk through questions. They should also clearly communicate deadlines, why the work is important and how it fits in with a broader matter. Juniors should be given a protocol if they don't think they can meet the deadline.

 $<sup>^{\</sup>rm 40}$  Yael Zofi, A Manager's Guide to Virtual Teams.

<sup>&</sup>lt;sup>41</sup> Hive Legal, <u>Top Tips for Managing Teams Remotely.</u>

Establish ways of working to meet urgent deadlines	Where a specific matter requires all hands on deck, communicate the expectation upfront that the relevant group of people must be available to join a short virtual or in-office sprint to meet the deadline. 42
Establish a routine that allows everyone to keep track of matter progress	A manager at a large food and beverage company with an entirely virtual team implemented a routine where, at the end of business every Thursday, everyone uploaded their work status to a shared site. The manager reviewed this on Friday and discussed with individuals if they had to make any changes for the next week. <sup>43</sup>
	In law firms there are usually a number of people on a given matter. Using task management software, running sheets, a weekly 15 minute stand up meeting are all ways that law firms can help teams stay on top of their matters.
Have a shared team calendar	This should show where everyone is each day. Use an integrated programme which also shows their real time status online – working from home, in a meeting from 2pm. etc.
Think big to encourage adoption of new technology	KWM introduced a program where each hour worked using a new tool was multiplied by 1.25 for the purpose of measuring lawyers' internal billable targets. <sup>44</sup>
O,	You may not be able to amend billable rules at a team level, but you can implement other incentives or take this into account during each team member's performance review.
Create weekly rituals to make sure everyone knows what's going on	This could be a quick virtual 'round the grounds' meeting, or a weekly discussion thread: 'What have you been working on?' <sup>45</sup> But be clear on the audience. If the lawyers are just updating the partner, do that in a weekly one-on-one. Team meetings should be focused on topics relevant to everyone.
Establish base rules to manage the	<ul> <li>Everyone must give each other the benefit of the doubt and assume good intent. 46</li> </ul>
difficulty of written communication	<ul> <li>Create a clear process on how to manage conflicts and share information across the whole firm.</li> </ul>
	<ul> <li>Agree to pick up the phone if an email has you riled up rather than firing off an angry response.</li> </ul>
Hire a practice or project manager	Practice managers could be hired for practice groups to help them manage working together while in a hybrid flexible team. Alternatively a senior lawyer may be more appropriate for your team.
Give team members ways to communicate asynchronously	Lawyers could be given permission to provide voicemail or video updates to partners so they don't have to wait for a partner to be available.
Make it easy to share knowledge	An online platform could allow lawyers to easily upload video presentations to share CLE, client or other knowledge. Team members can listen to or watch at a time that suits them best, and post any questions online for the presenter to answer later. The team could also use agreed naming protocols to upload information or observations in file management systems that can be searched and sorted easily.

David Henemeier Hansson and Jason Fried, Remote: Office Not Required.
 Yael Zofi, A Manager's Guide to Virtual Teams.
 Emma Boyde, <u>Can lawyers loosen up in lockdown?</u>
 David Henemeier Hansson and Jason Fried, Remote: Office Not Required.

<sup>&</sup>lt;sup>46</sup> Yael Zofi, A Manager's Guide to Virtual Teams.

# BUILD IN SUPPORT STRUCTURES

#### Accept that people will struggle

It's a grim reality that even in co-located teams, people's struggles sometimes go unnoticed. Even when everyone works in the same place during the same hours, it can be easy to miss how the weekly meeting always lands on Ming Lee's day to do the school drop off, or how Emil has given up asking for clarifications from Clare because he thinks she's too busy.

Some of these problems decrease with hybrid and flexible teams, as people have more control over their schedule and different tools and norms with which to communicate. But if it's difficult to catch people struggling in an office, can be even harder when we see less of each other in person. Which means it's vital to understand the complex dynamics of your team and how best to support each individual in a hybrid and flexible world.

#### We must tailor support to our people

Hybrid working is a radical shift from how law firms normally work. As Helen Fields<sup>47</sup> observed, law firm teams usually revolve around the partner.<sup>48</sup> The way everyone works and communicates is dictated by the partner's schedule and how that partner likes to work. But in her experience leading hybrid and flexible teams as a Telstra Legal Supervising Counsel and then as a Commercial Lead, she's found this paradigm needs to be turned on its head. To help teams cohere and last, Helen believes she needed to understand how each individual worked best and what they needed. For example, some were social butterflies who jumped at every opportunity to have coffees or network, and needed this void to be filled in the new hybrid and flexible teams. Others needed less socialising, but more feedback. Some were keen to kickstart the day off with an early morning standup. For others, it was their worst nightmare.

As a leader, Helen learned to take in all these different needs to build team norms and processes that would work for everyone. This style of leadership is supported by remote work consultant Yael Zofi.

The very nature of a dispersed team means that virtual leaders like you can no longer successfully manage through command-and-control techniques. Leadership takes confidence in your team and the tenacity to integrate people, despite time and space constraints. Your team members may be out of sight, but they can't be out of mind. 49

<sup>&</sup>lt;sup>47</sup> Principal of NBN Partnerships, Commercial & Contract Management at Telstra Corporation.

<sup>&</sup>lt;sup>48</sup> Fionn Bowd and Helen Fields podcast.

<sup>&</sup>lt;sup>49</sup> Yael Zofi, A Manager's Guide to Virtual Teams.

Yes, tailoring is a lot of work. But it's important work, which often gets done ad hoc in office-based teams by senior associates and partners who prioritise team connection. Other teams seeking to get the benefits of this without investing their own time would be well advised to hire practice managers or have responsibilities be clearly delegated. However there is no substitute for a leader that proves by turning up time and time again, that they believe in their team and they believe in this new way of working.

Whoever is doing this tailoring work, we think it's important they are aware of those who can be disadvantaged by hybrid and flexible work:

- Leaders need to ensure that those working remotely or flexibly don't end up like second-class citizens. As MinterEllison partner Virginia Briggs<sup>50</sup> has pointed out, women in general are more likely to take advantage of remote and flexible work to manage their disproportionate childcare and housework burden. This means that if distributed teams aren't managed carefully, remote and flexible workers can very easily become sidelined 'out of sight, out of mind' giving men who don't need to work from home an even bigger head start. Structures should be put in place to support flexible workers so they don't miss out on the benefits of connecting with and being seen in the office. This often means insisting on some in-person time, as the flexible worker often won't realise what they are missing out on. It may also mean putting them forward for presentations or special projects, so they remain front of mind for the team.
- New starters and juniors can also struggle with hybrid and flexible work, as it can be harder to learn and grasp how the team works. They need a good onboarding process to orient themselves as well as access to ongoing education, and the whole team needs to take responsibility for bringing them into the tent.
- Employees struggling with their mental health can often fly under the radar even with everyone in the office. This can be exacerbated by remote or flexible work. Burnout in particular is a legitimate risk, because it's so easy to work more when you can work anywhere and at any time. And when leaders can't glance over at someone's desk every day to see how they're going, it becomes crucial to have other tools in place to get that information.<sup>51</sup>

#### **Actionable Examples**

Good onboarding is vital to help new employees get started Ensure that new employees are onboarded well and everyone, no matter where or when they work, gets the chance at ongoing education. For example, all training sessions could be recorded and posted on an online platform, and individuals with expertise can be asked to post videos teaching others. Firms can also implement virtual or in-person 'shadowing' with new starters and juniors. <sup>52</sup>

Have partners or SAs implement regular one-on-ones with each team member

One-on-ones are critical tools recommended by multiple experts to keep communication lines open and have a structured time to check in with your people. <sup>53</sup> Implemented well, the humble one-on-one meeting is incredibly effective. Simply just having it in the diary provides people with the opportunity to bring important things up, like particular challenges or queries they have, that they wouldn't otherwise.

In Telstra (including Telstra Legal),<sup>54</sup> different teams set different cadences for one-on-ones: weekly, fortnightly, or monthly. Let teams experiment with the cadence that works for them, but insist on regularity and consistency (and measure it!).

 $<sup>^{50}</sup>$  Minter Ellison's managing partner of infrastructure, construction and property.

 $<sup>^{\</sup>rm 51}$  David Henemeier Hansson and Jason Fried, Remote: Office Not Required.

<sup>&</sup>lt;sup>52</sup> Fionn Bowd and Helen Fields podcast.

Fionn Bowd and Helen Fields podcast; David Henemeier Hansson and Jason Fried, Remote: Office Not Required; Wade Foster at Zapier, How to Manage a Remote Team.

<sup>&</sup>lt;sup>54</sup> Fionn Bowd and Helen Fields podcast.

Ensure team norms and processes don't disadvantage any particular group

For example, it can help to have a rotation of different weekly meeting times or social events. 55 You could also set include mandatory non-office or in-office days for staff, off-sites or on-sites held in person, scheduled team breakfasts or lunches.

Change up the schedule of meetings and social events, so the same people aren't always missing out.

## Where you're aware of a disadvantage, flip it

Ensure disadvantages are minimised or flipped. Hansson and Fried recommend treating those working remotely like they're in the office and those working in the office like they're working remotely to try and remove some of the disadvantage. In practice, this looks like:

- Responding to remote workers as quickly as possible and setting up more frequent one-on-ones, while requiring workers in the office to set less regular appointments.<sup>56</sup>
- Creating a team norm where everyone dials in separately for team meetings, even if they're in the office together, to ensure those in the office aren't privileged over remote workers.<sup>57</sup>

## Get creative about other ways to make flexible work work

For example, you could offer more options for meaningful flexibility:

- one overlapping day in the office a week
- structured job-share arrangements,
- billable targets reduced in proportion to hours worked (with a bonus for hours above the target)
- annualised targets.<sup>58</sup>

We think annualised targets in particular are interesting, as this could be combined with leave changes to achieve a similar result as Netflix's unlimited paid leave policy, which allows staff to take as much time off work as they like as long as they meet their performance targets.<sup>59</sup>

<sup>&</sup>lt;sup>55</sup> Yael Zofi, A Manager's Guide to Virtual Teams.

<sup>&</sup>lt;sup>56</sup> David Henemeier Hansson and Jason Fried, Remote: Office Not Required.

<sup>&</sup>lt;sup>57</sup>Ilma Nausedaite, Office and remote: Overcoming the challenges of hybrid teams.

Deborah Epstein Henry, Facing the FACTS: Introducing Work/Life Choices for All Firm Lawyers Within the Billable Hour Model.

<sup>&</sup>lt;sup>59</sup> Dinnie Muslihat, <u>Unlimited PTO Works for Netflix, But Can it Work for You?</u>

#### - STEP 4 -

# CULTIVATE A HYBRID CULTURE

#### Conscious design to build trust and understanding

As we've discussed before, good lawyers need trust and understanding to do their best work together. The easiest way to do this is to embed good practices into the team or firm's very culture. And a strong, supportive culture can absolutely be built even where team members aren't always in the same place at the same time.

However, this does require time and strategy. Chief people and culture officer at Zip, Anna Buber-Favorich, says that it's important to create "deliberate moments and rituals in which people can really connect." Which means we have to think beyond just weekly team meetings. We know of a legal team that, during lockdown, did nothing but replicate their weekly team meeting over videocall. The partner would dial in, assign all work, and the team would have a brief work discussion before the call ended. This was the only structural interaction they would have each week. This left the team members feeling helplessly disconnected from each other and their partner.

#### Rethink the office

We also think that building and preserving the best culture means we must think about how to best use the office. As we've covered before, when a firm moves to hybrid flexible teams, they can cut back on expensive office space that's not working hard enough, redesign the rest to better suit both lawyers and clients, and then enjoy the substantial savings mentioned in Part I. We still need spaces to sometimes come together but there's no reason why firms can't follow the examples of Dell and Aetna saving millions of dollars in real estate and retention costs, or saving 40% on office leasing and maintenance costs like Unilever. 61

Of course, the priority should be on the benefits to employees and clients, not purely saving costs to increase profitability. Some cost savings need to be redistributed to the new ways of working. However, given the cost of real estate, we think it's possible to invest cost savings into tools like practice managers to help alleviate the management burden and protect culture, while still achieving the same or better profitability.

#### Rebuild the best of the office - virtually

We're not wrong when we value the office for culture, collaboration, and relationships. But much of what makes the office good can be recreated in new ways.

This might be popular, but we also believe that out of office time should be scheduled and mandatory. If a person doesn't have an appropriate home environment, the firm can pay for a day a week in a co-working space. Every single team member, including every partner, should regularly work remotely so they retain focus on the tools, structures, policies and culture needed to support hybrid work. This also ensures the firm gets predictable office space utilisation.

<sup>&</sup>lt;sup>60</sup> Sally Patten, <u>The tech companies that think it's time to end working from home.</u>

<sup>&</sup>lt;sup>61</sup> John O'Duinn, Distributed Teams: The Art and Practice of Working Together While Physically Apart.

#### Actionable Examples

Create a hybrid office for your hybrid teams	Create a 'virtual office' space for people to congregate and socialise, e.g., an ongoing chatroom in Teams or Slack for people to discuss non-work-related matters or post memes. <sup>62</sup> You could have a team video call that anyone can dial into on their coffee or lunch break. We'd also recommend practice group or team-based spaces. Software is so cheap now there is no need to have a fixed or firm-wide approach to this. If one team wants to use Slack and another use Teams, let them.
Set regular hybrid catchups	Regular virtual social catchups allow both people working remotely and at the office can attend. Some legal teams in Telstra and Gilbert + Tobin have standing lunchtime and afternoon virtual meetings for whoever can attend, including a 'virtual walking' meeting where everyone heads to their separate local park.
Set mandatory 'in-office' days	We highly recommend setting certain days where everyone is required to be in the office. This is controversial but we believe in it. It keeps people connected and provides a set point to have regular in-person meetings. Experiment with how frequently it makes sense for different practice groups and teams to meet, e.g., one day in the office every week or every fortnight, even two days a month. Anything can work but we do believe people need to be together as a team at least sometimes.
Make the default for firm meetings virtual	Instead of firm-wide meetings at the office or "town halls", set up a virtual system for firm wide briefings. Borrow from the pandemic and carry out the firm update with everyone at their desk or record the briefing and let people watch in their own time. You can also ask different partners to deliver a briefing via video, with perhaps a video from a new practice area each month. Ask your people and experiment with what works best, since people like communicating and receiving information differently. <sup>63</sup>
Keep celebrating special occasions 64	Ideally do this in person if you have specified days where everyone is in the office. But even if you can't, there are ways to do this virtually.  For example during Easter in lockdown, a partner we know set up a celebration with her team. She made 5 serves of a main meal and bundled up some beautiful decorations and Easter gifts for a 'contactless drop' at each employee's house. One lawyer made a hot cross bun pudding and did the same. They all then set up their meals and tables at home and had lunch together via video chat.  Remote work consultant Zofi also gives an example of a colleague who sent each team member a gift such as chocolates or funny pens to celebrate birthdays (with the birthday celebrant getting a bigger version), and a note to unwrap the gift at the next team conference call. <sup>65</sup> This helped to create memories and shared experiences that team members still talk about long afterward.
Consider creating a suburban office 'hub'	If your research discovers that many practice groups or team members live in the same area, you could create a cheaper 'hub' that is not the main office. See if there is a demand – you can always experiment first with renting coworking spaces. Again, based on demand, you could hire individual coworking space for those who want it. This is much cheaper and infinitely more flexible than fixed office leases.

Fionn Bowd and Helen Fields podcast; Wade Foster at Zapier, How to Manage a Remote Team.
 Fionn Bowd and Helen Fields podcast.
 Yael Zofi, A Manager's Guide to Virtual Teams.
 Yael Zofi, A Manager's Guide to Virtual Teams.

### Be flexible with in-office hours

If the firm isn't ready to change up office space, you can experiment with people coming into the office at different times. One popular option, embraced by Basecamp team members (as well as other companies like Ogilvy) is to work remotely in the morning, and then come into the office in the afternoon (avoiding rush hour) to socialise and communicate with team members. <sup>66</sup>

#### Have regular inperson team meetups

Have team social meetups every month or two months and work-related 'offsite' meetups at least twice a year. These can replace mandatory in-person time and work well when people are widely distributed in regional, interstate and international locations.

Also, have office-wide meetups in the same location once or twice a year, for at least a few days. Basecamp meet twice a year for 4 to 5 days to allow new hires to meet each other, reforge connections, present the latest projects and decide on their future direction.<sup>67</sup>

FreeAgent, headquartered in Edinburgh, uses the Edinburgh festival every summer to bring their worldwide team to the head office and bond over laughter.  $^{68}\,$ 

It's hard to imagine a better way to spend time with colleagues.

<sup>&</sup>lt;sup>66</sup> David Henemeier Hansson and Jason Fried, Remote: Office Not Required.

 $<sup>^{\</sup>rm 67}$  David Henemeier Hansson and Jason Fried, Remote: Office Not Required.

<sup>&</sup>lt;sup>68</sup> David Henemeier Hansson and Jason Fried, Remote: Office Not Required.

#### - STEP 5 -

# CREATE A VIRTUOUS CYCLE

So you've benchmarked your team, and you've experimented with creating new team norms and processes, building in support, and cultivating culture.

This final step is that last little push that gives momentum to the "flywheel" of transformation, creating a virtuous cycle of experimentation, change and growth. And it's as simple and as difficult as this: you must measure and learn from every experiment. Then you have to apply those learnings in a later experiment.<sup>69</sup>

Getting the best work from the best people isn't a destination on a map, it's a constant journey. Here are just some of the recommendations from experts on how to take that journey.

#### **Actionable Examples**

Review and
debrief after
experiments

Hold a brief debrief at the end of every experiment to see what worked and what didn't. To For example, you could start discussion using design thinking, having each person identify three things that went well and three things that could have been improved. Also build in structures that encourage different kinds of feedback and participation, such as allowing online anonymous feedback.

### Build in ongoing reviews

Schedule ongoing reviews at every level of the firm: leadership level, group and team. I Just like end of matter reviews – regularly conducted in many professional services firms – these are critical for ensuring lessons learned from experiments are actually implemented to help the team and firm continue to improve. In prove.

These could be scheduled every quarter or six months to discuss the results of past experiments, the progress of current experiments, and what learning to apply to new experiments. Make sure there is clear accountability with specific partners for the review to occur.

This could also be done with clients as part of a matter-closing review and getting valuable feedback.  $^{73}$ 

<sup>&</sup>lt;sup>69</sup> Yael Zofi, A Manager's Guide to Virtual Teams.

 $<sup>^{70}</sup>$  Yael Zofi, A Manager's Guide to Virtual Teams.

<sup>&</sup>lt;sup>71</sup> Yael Zofi, A Manager's Guide to Virtual Teams.

<sup>72</sup> Jack Bostelman, What's the fuss about after-action reviews?

<sup>73</sup> Shilpa Malik, Eight Creative Ways for Law Firms to Get Client Feedback.

# Empower your people to provide feedback

For example, you could establish simple 'red flag'/'yellow flag' mechanisms during experiments so that anyone who comes across an issue can quickly bring them to light.<sup>74</sup>

You may also find that regular one-on-ones (as mentioned in Step 3 above) will help provide a viable forum for individual team members to raise concerns that can prevent future issues.

Openly encourage everyone in the hierarchy to take charge of learning and come up with suggestions. For example, one senior associate we know, knowing that their partner was incredibly busy, began running fortnightly one-on-ones, both in-person and virtual, to mentor juniors and catch any issues that needed to be addressed. Give people permission to take these sorts of leadership roles.

# Learn from and communicate with clients

Talk to clients who intend to or are already working in distributed and flexible teams and ask what they're doing. You could run mini-conferences or sessions with both client and firm lawyers to build relationships and learn from each other. The firm could sponsor shared initiatives, the firm and client could undertake joint pilots together, or the firm could simply listen to the in-house legal team and their experiences. This can also create more opportunities for the firm – for example, if you found out what tools your clients are using, you could experiment with that software internally to make working with them more seamless.

Further, firm lawyers will build a greater understanding of the work lives of their clients who work remotely.

<sup>&</sup>lt;sup>74</sup> Yael Zofi, A Manager's Guide to Virtual Teams.

## **NEXT STEPS**

Many law firms that try hybrid teams will fail. Without investing the time and resources to change the firm to properly support hybrid and flexible working, the management costs and challenges will become too high. We foresee many following Yahoo! and IBM's footsteps: allowing and then later removing the option of widespread remote work declaring it a "failure". This will cause significant pain for those firms as it's hard to imagine an action more certain to create disgruntled lawyers and deter future lawyers from joining the firm.

But it doesn't have to be that way.

This is an opportunity for us to transform. To get closer to what we all want as lawyers: a life where we can do our best work, love the law, and still live life outside the law.

It's true that when hybrid teams are managed poorly, the result is hellish. But hybrid teams managed well promise happier workers, better retention, better work, and better profits. That is surely more than enough reason to change. And although transformation is always difficult, (particularly in the partnership structure of large law firms), it's still absolutely doable. Whether change happens at the firm level with a supportive leadership or just at a team level, following the five steps will create a virtuous cycle that allows the firm or team to transform slowly but surely, rather than throwing all its energy into a risky widescale change.

And if you need help? Well, we're here. We founded Bowd because we believe that with the right support and structures in place, lawyers can do their best work and love it. If that sounds good to you, it's time to invest in managing your hybrid teams and get the best work from the best people.

We can give you tailored advice to your circumstances, we can build you a team of experts and we can even implement your rollout.

For more information or support on managing hybrid teams and how your law firm can improve legal resourcing, profitability, and client service (while reducing burnout and turnover), contact us at <a href="mailto:hello@bowd.legal">hello@bowd.legal</a> or <a href="mailto:hello@bowd.legal">+61 3 8568 3630</a>.

We look forward to hearing from you!

Fionn Bowd
CEO of Bowd
Direct contact ☑ or

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#### – ABOUT –

## BOWD

#### WHO WE ARE

Bowd is a collective of top tier lawyers and professionals who help lawyers do their best work and love it.

#### WHAT WE DO

Bowd is the law firm's law firm.

We solve your law firm people problems when no one else can.

You just want to do what you do best – service your clients and deliver the outcomes that got you to where are today. But endless people issues and eternal discussions about people issues just keep getting in your way. You're ready to admit that nothing tried so far has made any difference, with just as many lawyers leaving as before and just as much dissatisfaction from those who stay. If anything, turnover is worse and the grumblings are louder. You also have a sneaking suspicion that at least some client sticky-ness is getting lost as a result.

You are ready to have a conversation with someone who understands that you have a business to run, and that solutions can't cost profits, but that something has to be done.

From a quiet consultation to a wholescale review, we can help. Get in touch.



#### -CONTACT US -

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Or get in touch with the CEO directly for a confidential discussion at  $\boxtimes$  or  $\underline{\cong}$ 

