



STELLAR PERFORMANCE 2023

Retaining Your Most Valuable Associates:
Stand-Out Associates and the Partner Track

7th Annual Survey | **October 2023**

RETAINING YOUR MOST VALUABLE ASSOCIATES: STAND-OUT ASSOCIATES AND THE PARTNER TRACK

Each year, our *Stellar Performance Reports* focus on the experience of Thomson Reuters Stand-out Lawyers — members of a select, global group who are nominated by their clients as being exemplary. This particular report concentrates on an even more elite group of lawyers: Those nominated as stand-out associates — sometimes even over and above the partners with whom they work. Indeed, it is a rarified group: Of the 2,400 Thomson Reuters Stand-out Lawyers responding to this survey, only 89 are associates.

While not all associates can or should become partners, stand-out associates are precisely the associates that law firms should be most eager to retain and eventually see elevated to partner. Yet almost every law firm has seen a promising and apparently satisfied associate leave, seemingly suddenly and with no warning. While almost all stand-out associates say they are “satisfied” in their firms, about one-quarter of them say that partnership in their current firm is not their preferred career path. Another 50% are considering other career paths, from partnerships at other law firms to in-house positions.

This report provides insights into the experience of a firm’s most valuable associates, demonstrating why they may be flight risks (despite apparent satisfaction in their roles) and detailing how firms can act to keep their most promising associates on the partner track at their own firm.

89

associate lawyers
responded,
85% of whom
were senior
associates



SATISFIED, BUT NOT PERSUADED

Stand-out associates have very high satisfaction rates with their current positions — yet, their flight risk is also high. By definition, they have a lower level of *buy-in* at their current firms, especially compared to firm partners, and they're generally younger and more likely to change jobs as they seek to establish themselves. That being said, stand-out associates are the ones that firms should be most interested in retaining, as 30% of these valued associates say they are "highly" or "somewhat" likely to leave their firms within five years.

Flight risk among stand-out associates

Figure 1: **One in four stand-out associates are not looking to become partners at their firm**

97% are satisfied or delighted ...

■ At risk (1 to 6) ■ Satisfied (7 or 8) ■ Delighted (9 or 10)



Flight risk among associates is high

■ Highly likely ■ Somewhat likely ■ Unsure ■ Somewhat unlikely ■ Highly unlikely



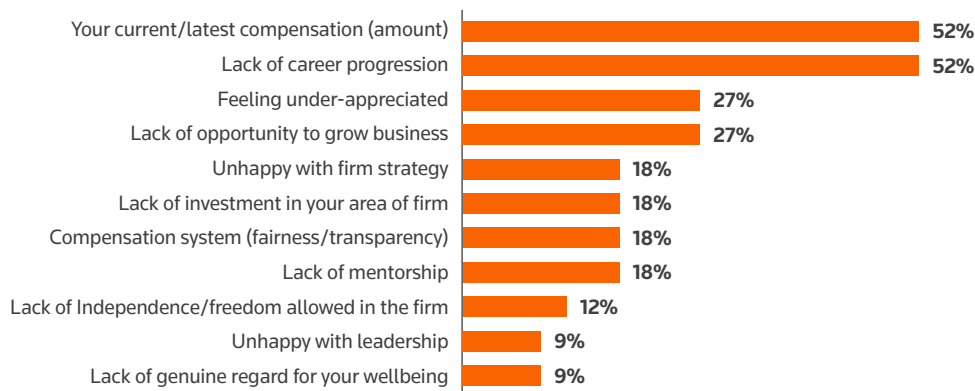
Source: Thomson Reuters

Only about one-third of these most-valuable associates are aspiring to partner positions at their own firms, exclusive of other options. Even those who say they want to stay at their current firms may not see partnership as their preferred career path. For one-quarter of them, the preferred career path is to become a partner somewhere else, to go in-house, or to remain an associate. Those who are on the fence are most likely looking at partnership at a different law firm, considering going in-house, continuing as an associate, or becoming of counsel.

Compensation levels, lack of progression, and being under-appreciated are the most common reasons that stand-out associates are considering leaving their current firms.

Figure 2: **Compensation and progression key factors behind movement**

Reasons why associates consider moving firms (prompted list)



Source: Thomson Reuters

These motivations are consistent with those reported in [a wider associate survey](#) carried out by the Thomson Reuters Institute in 2022.

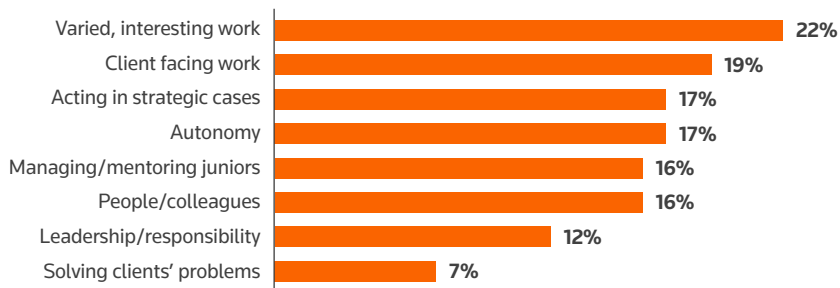
Compared to that larger universe of associates, the stand-out associates were less likely to say that the fairness and transparency of the compensation system was a reason to leave, and were also less likely to say that leadership lacked regard for their well-being. That could suggest that, in the time in between the two surveys, firms have started to make improvements in these important areas; or, it could also be that firms recognize that their stand-out associates have the potential to make even larger contributions to the firm as partners, and they will have little difficulty finding a competitive offer should they choose to leave. Those considerations may lead partners and members of firm leadership to manage stand-out associates somewhat differently than they do other associates.

Among other reasons to leave one's firm, stand-out associates are more likely to say their firms didn't provide enough opportunities for them to grow their businesses — again pointing to their ambition and the qualities that set them aside from others in the wider associate cohort.

When asked open-ended questions about the aspects they enjoy most about their work, stand-out associates indicated that the quality of the work comes first, with responses such as "varied, interesting work", "client-facing work" and "acting in strategic cases" taking the top three slots. Next come factors about how that work is done and the firm's overall environment: "autonomy", "managing/mentoring juniors" and "people/colleagues".

Figure 3: **What motivates stand-out associates?**

What aspects of your current role do you enjoy the most?



Source: Thomson Reuters

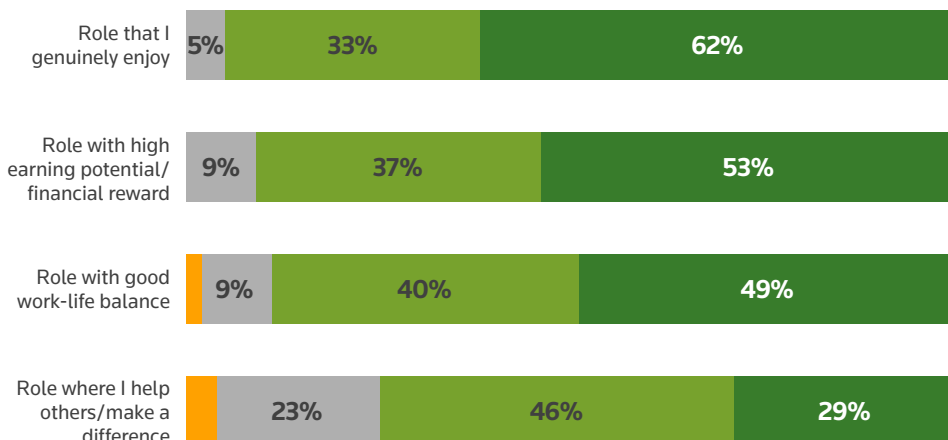
As we've seen, it's no longer a given that a bright, talented associate — even a stand-out associate — aspires to a partner position and nothing else. There is much to appreciate about the practice of law within stand-out associates' current firms: They say they enjoy the intellectual challenge of solving clients' strategic problems, and they enjoy the interpersonal side of the law, such as working with clients, colleagues, and junior attorneys. The negatives are the volume of administrative work they face and the lack of work-life balance — with the latter being the primary reason for not wanting to pursue a partnership role.

Almost half of stand-out associates say that work-life balance is highly important, but more than 70% of these respondents also say their preferred career path is partnership at their current firm. While work-life balance is clearly a major factor, it does sit behind other attributes, such as genuine enjoyment of one's work and a high earning potential.

Figure 4: **Role enjoyment highly important to associates**

Career priorities

■ Not important at all ■ Somewhat unimportant ■ Neutral ■ Somewhat important ■ Highly important



Note percentages may not add to 100% due to rounding.

Source: Thomson Reuters

Those stand-out associates who placed the highest importance on work-life balance, and who also are unexcited about business development responsibilities, just may not be suited for partnership. And it's important to recognize that the definition of a satisfactory "balance" between work and life can vary greatly by individual, as do the chances of being able to integrate that balance into a partnership role. Even those respondents who rated work-life balance high may see the appeal of partnership.

The best way for firms to encourage that perspective is to move these associates' from "satisfied" to "delighted." Overall, this depends most strongly on three factors under the firm's control: genuine regard for associates' well-being (specifically, from firm leadership), clarity of goals, and work allocation.

Most stand-out associates believe their manager and team do have *genuine* regard for their well-being, but fewer than half "strongly agree" that their firm leadership also demonstrates a genuine regard. The stand-out associates who do believe leadership demonstrates this are more than twice as likely to be "delighted", compared to those who only somewhat agree that firm leadership has this concern.

Leadership must be about more than strategy and work allocation. Instead, firm leaders would do well to be aware of how they come across when explaining the actual decisions they make. Previous Stellar Performance Research has shown that both associates and partners want more from their leadership than just focus and energy. The most highly valued traits of law firm leaders cited by stand-out lawyers also include "approachability", a "humane and caring attitude", "openness to feedback" and "supportiveness".

Further, *clarity* of goals is also important in moving stand-out associates along the path from "satisfied" to "delighted." This means a clear development path and achievable objectives. Those objectives must be clearly linked to team and firm goals. This dovetails with other Thomson Reuters research that highlights the importance of providing associates with a good understanding of the firm's strategy and direction. Without that understanding, associates may be unsure if their work is contributing to the firm's goals, or even how it's being valued. This may be especially important for stand-out associates, who, as we've seen, are likely to be more ambitious and career-driven than many of their peers.

Work allocation is a touchy point for some stand-out associates. Overall, they believe they are being asked to do more work than other associates, and they don't feel like they can turn down new work as it comes in. However, the raw number of hours a stand-out associate bills is not linked to satisfaction; instead, it's extremely important that stand-out associates see that their work aligns well with their career goals, and that they are trusted to do that work without being micromanaged.

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RETAINING STAND-OUT ASSOCIATES

While not every associate is suited to becoming a partner, those who are nominated by clients as stand-outs are certainly promising candidates. While the flight risk for these associates is high, it can also be proactively managed by firm leadership. Fortunately, stand-out associates are quite clear in the factors they say are most likely to encourage them to stay at their current firms.

Perhaps most important is the quality of leadership at their firms. Leadership must visibly demonstrate a genuine regard for associate well-being. It's also wise to have a mechanism for collecting anonymous feedback that associates might not be comfortable delivering directly.

Work allocation and the type of work expected are also important. While stand-out associates do value work-life balance, the number of hours worked is less important than the alignment of their work to their own career development plans. The work must also clearly connect with team and firm goals — which means that those goals must be clear. Preferably, updates to those goals should be shared regularly with associates, not just with partners.

Stand-out associates are likely a firm's most promising candidates for partner roles. Yet, despite the fact that clients have already noticed their contributions, not all of these stand-out associates are aspiring to partner positions, or even looking to stay at their current firms.

Empathetic leadership and thoughtful career development are highly valued by this group of associates. And these factors are law firms' best strategies for retaining these talented lawyers and enabling them to make their full contributions to their current firm.

It's also wise to have a mechanism for collecting anonymous feedback that associates might not be comfortable delivering directly.

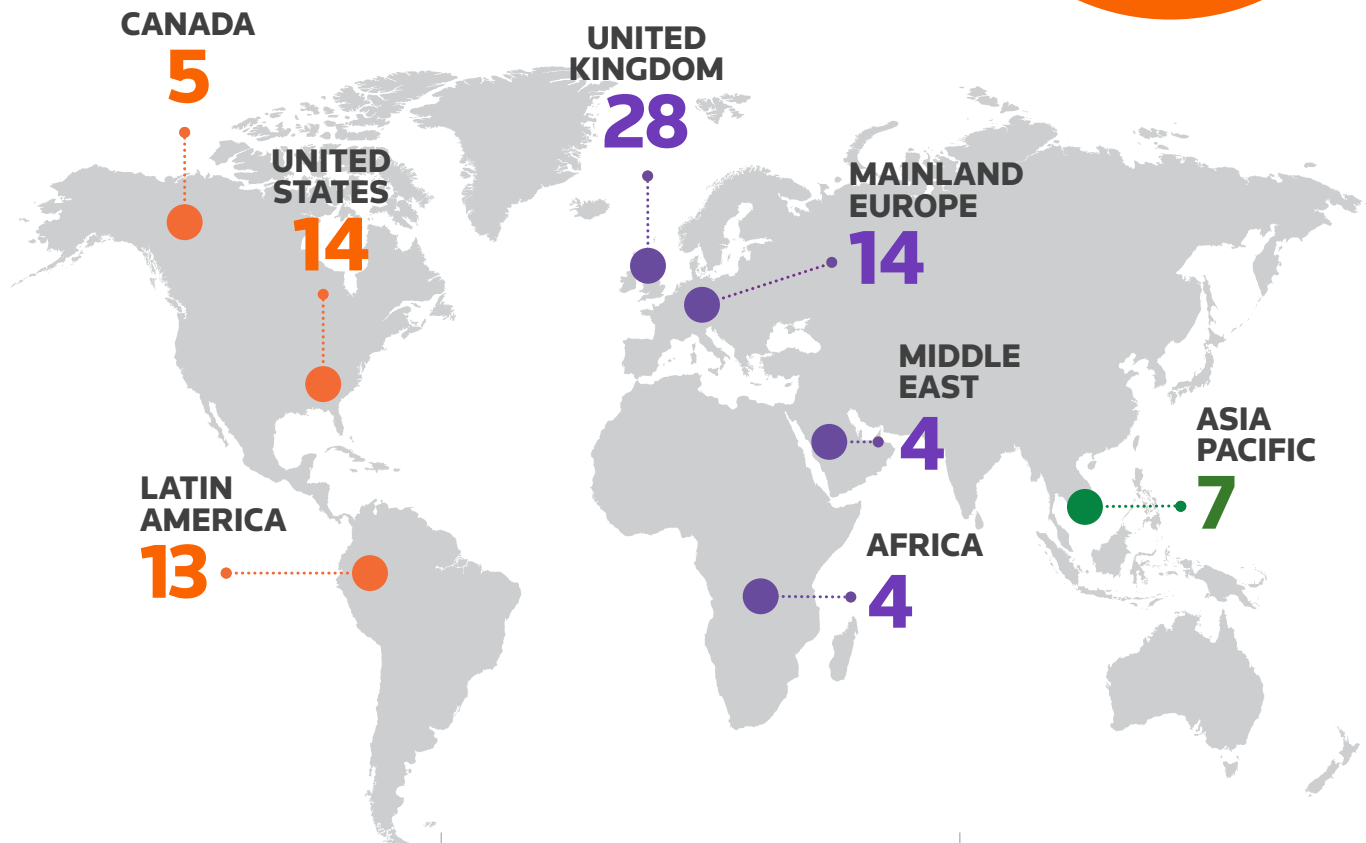


METHODOLOGY

This report discusses the findings of a self-completed web survey, distributed to lawyers who were nominated as "stand-out" in our ongoing, random-sampled Sharplegal survey of law firm clients. This year, 2,400 lawyers responded, 89 of whom were associates, of which 85% are senior associates. We would like to thank every one of those exceptional lawyers for taking the time to support our study and share their perspective on what law firms need to be doing to enable them to work at their best and continue to deliver exceptional client service.

2,400
STAND-OUT LAWYERS
FROM OVER 60 COUNTRIES
RESPONDED

89
WERE ASSOCIATES



85%
ARE SENIOR
ASSOCIATES

43% ARE FEMALE
52% ARE MALE
(5% prefer not to state)

74%
ARE UNDER
40 YEARS OLD

16%
WOULD CONSIDER
THEMSELVES PART
OF AN ETHNIC
MINORITY GROUP

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