

How Law Firm Brand and Culture Can Lure Clients and Talent

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Today's biggest challenges for law firms are recruitment and retention of top talent, and competition for clients. With legal hiring surging, associate turnover at record highs, and growing demand for work/life balance in the legal space, a firm's brand and culture can sway potential recruits to join your firm, or it can drive them away. Similarly, if a potential client perceives that two firms have equal expertise, it will make a choice based on chemistry and client service, which are shaped by a firm's culture.

Think for a moment about your company's brand. What comes to mind? Your logo? Your website? Your marketing materials? While these elements are part of your organization's branding, your brand is much more than that. It's about who you are and how you do things, which means it's very much about your culture.

The connection between your brand and culture is particularly meaningful when recruiting and retaining talent. Culture plays a big role in a recruit's decision to join a firm or not, but a recruit can't fully experience your culture before they're hired. That's where your brand comes in. An authentic, well-articulated brand will express your firm's culture. It will work to attract the right people, and those people will be more likely to stay if there's a strong cultural fit.

In a 2021 survey of the business leaders of 55 U.S. law firms, the top three risks threatening law firm profitability were all talent-related: lawyer recruitment and retention, staff poaching by competitors, and associate salary increases.

Initially, firms responded to these new challenges with a typical strategy: They threw money at the problem. But we've learned that higher associate salaries and generous bonuses aren't enough. Today's up-and-coming legal talent belong to a generation that prioritizes such things as flexibility, a sense of purpose, and a feeling of belonging—all of which come down to your firm's culture. Recent research concludes that addressing high rates of turnover will require firms to better understand why employees are leaving and accordingly reimagine their structure and operations in the post-pandemic world.

While compensation, work-life balance, and physical and emotional health are rightly identified by senior law firm leaders as contributing factors to an employee's decision to leave, employees themselves cite other reasons as key to their satisfaction. Firms will have to bind people to organizations by helping them find meaning in their work, feel appreciated, gain opportunities for growth, and believe they are making a contribution to a larger purpose, according to one survey's findings. Law firm members and employees want to find a place that offers levels of collaboration, competitiveness, collegiality, support, diversity, and inclusiveness that fit their personalities—in other words, a culture that fits them, and a brand they feel aligned with.[...]

A well-defined and differentiated culture-driven brand can help guide business decisions and position the firm with clients as well. Cooley found itself in a difficult client-versus-culture conundrum when its client, Tesla, asked the firm to fire one of its attorneys who had worked at the US Securities and Exchange Commission during a probe of Tesla CEO Elon Musk. Cooley declined, and Tesla and SpaceX followed through on their threat to pull back work from the firm. Cooley's decision, while resulting in the loss of Tesla as a client, helped to position the firm's brand as supportive of its people and culture.

Data shows that customers increasingly choose brands whose values align with their own over those that do not. It makes sense that some clients will be inclined to work with Cooley because they respect the firm's values-driven business decision. [...]

Since law firms are service businesses with lots of competitors that offer similar practice area expertise, the differentiators often come down to norms, behaviors, and service approach, which again are closely aligned with the culture. An authentic, distinctive brand driven by a cohesive and successful culture is a crucial asset to help your firm thrive. Whatever comes next, your brand and culture will be your guide.