



College of Law Performance and Well-Being Study

February 2021

Contents

1. Employee experience
2. Stress and burnout
3. Flexible working
4. Changing culture around bullying and harassment
5. Alcohol
6. Diversity
7. Support networks
8. Changing the industry
9. Summary

© 2020 Perceptive and The College of Law. No part of the data contained in this report may be edited in any way without the permission of Perceptive.



Objective and Methodology

Objective

The legal performance and well-being report is an annual study conducted by the College of Law in conjunction with Perceptive and is purposed around gaining insight into the issues, concerns and realities of what it means to work as a lawyer and associated professions in New Zealand.

The 2020 study places focus on understanding how key measures of workplace health and well-being have trended over the last 12 months, as well as taking a look at how COVID-19 has affected the performance and well-being of lawyers NZ.

Methodology

In November 2020, Perceptive conducted an online survey which was targeted at lawyers currently practicing in the profession.

While the survey was distributed through a number of channels, similar to 2019, responses were primarily captured through the internal promotion of individual firms, practices and other organisations.

n=510 lawyers from around the country engaged in the 2020 survey.

To achieve an accurate representation of the practicing lawyers in the New Zealand profession, responses are weighted by gender breakdowns as per the NZ Law Society's "Snapshot of the profession 2019" report (51.3% female; 48.7% male).

An Interview with beaton

beaton's report on Culture in Law Firms explores the view that in a world of growing media interest in and staff expectations of corporate culture, one key stakeholder's voice has been absent: Clients. Do clients care about the corporate culture of their firms? In late 2019 and early 2020 beaton surveyed a cross-section of senior B2B users of professional services firms. They received 943 responses with 407 from law. To understand how the findings from both studies link together, Perceptive conducted an interview with Jon Huxley, a partner at beaton.

Q. Our findings show that the legal industry in New Zealand has an overall eNPS score of +23. It's well documented that high employee engagement builds positive workplaces, but can you run through the impact it has on client retention?

A. Firms should want their employees out there spreading good things about the firm as it reflects well on their culture. Our data shows that positive culture drives clients to engage firms and negative culture drives clients away. As we like to put it "the windows of your firm have no curtains!" Meaning, clients know about your culture and make decisions based on that as to whether to work with you or not.

For instance, of clients whose firms have documented values, 46% see them expressed in business meetings and 35% see them expressed at social events / casual conversation i.e. happy employees are the cheapest way of communicating a firm's culture to clients.

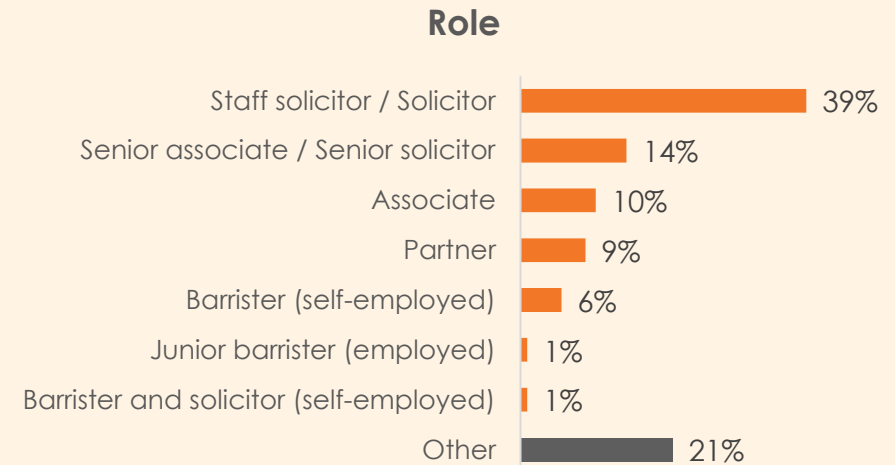
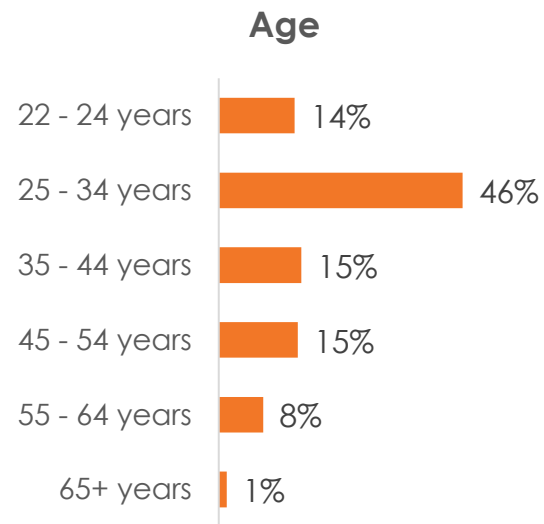
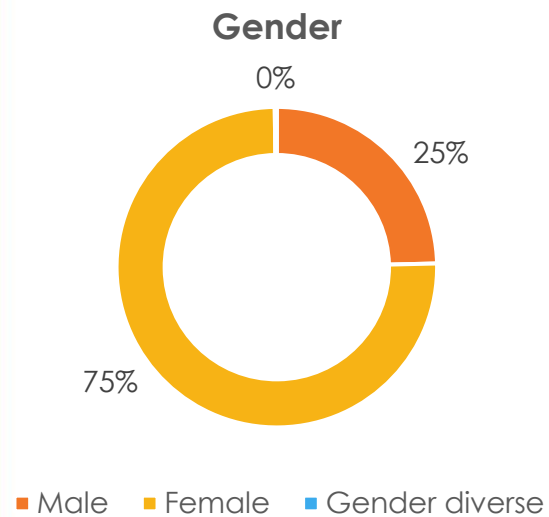
Q. What about toxic behaviours, such as bullying, how does that affect client retention?

A. It is pleasing to see that bullying has decreased by 15% year-on-year in this report. Our data shows that Care / respect for others is a key driver in why clients want to work with firms with positive cultures (56%) and a key driver away from firms that do not show Care / respect for others (36%). So the message is clear: investing in creating a good culture has a commercial return.

However, a majority (64%) of respondents said the firm they worked with did not have a documented set of values or that they did not know whether the firm had one. Conversely, of those respondents who were aware of a set of values, 85% said that the firm lived up to them.

Our experience tells us that how a team treats each other invariably leaks outside the firm or department. This toxic behaviour may manifest itself in overt ways, such as getting aggressive with a client or dismissing the contribution of women in a meeting, or in more subtle ways like not respecting other peoples' time and always sending documents over 5 minutes before the deadline and expecting a fast turnaround.

Who We Spoke To



Base: All (n=510)
For the purposes of this slide results are unweighted.



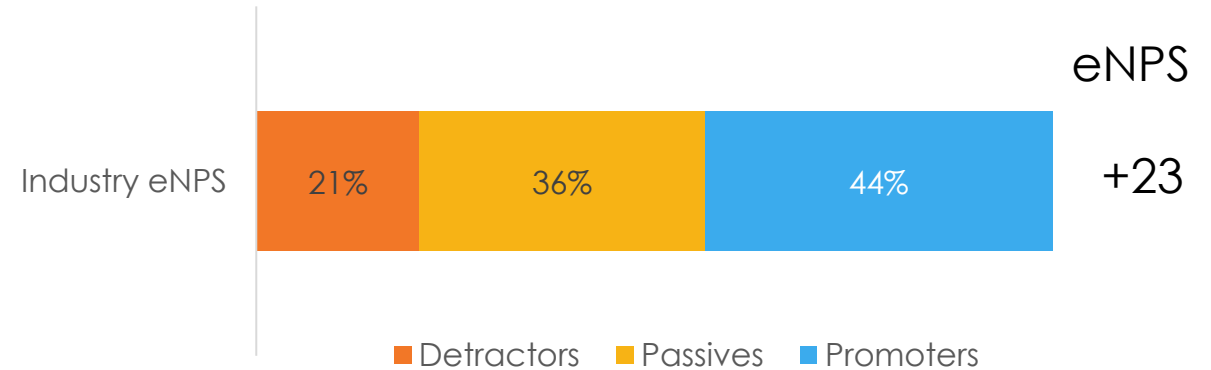
01

Employee experience

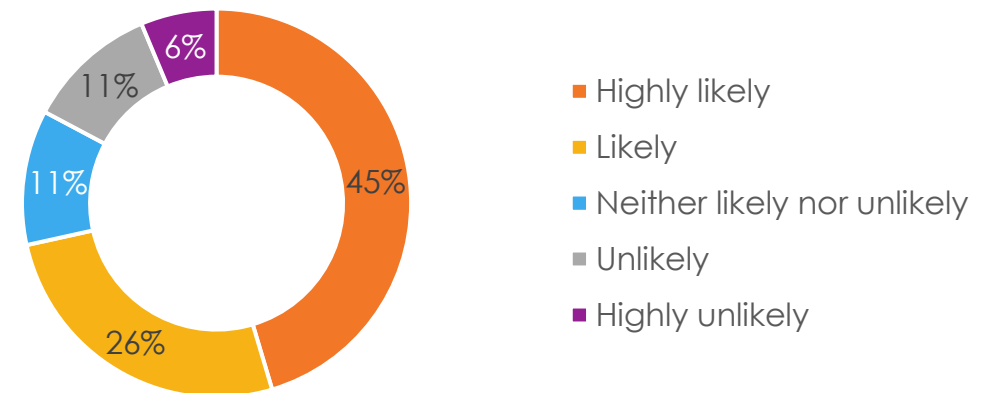
Employee Advocacy

- The industry eNPS score sits at +23, with 44% of NZ lawyers being Promoters (advocates) of their workplace.
 - In contrast, one in five are Detractors (i.e. wouldn't recommend it to others).
- Almost three quarters (72%) are likely to stay in their place of employment for the next 2 years.

Q On a scale of 0-10, how likely are you to recommend your place of employment to someone else in the same position as you?



Q And how likely are you to continue to work at your place of employment for the next 2 years?



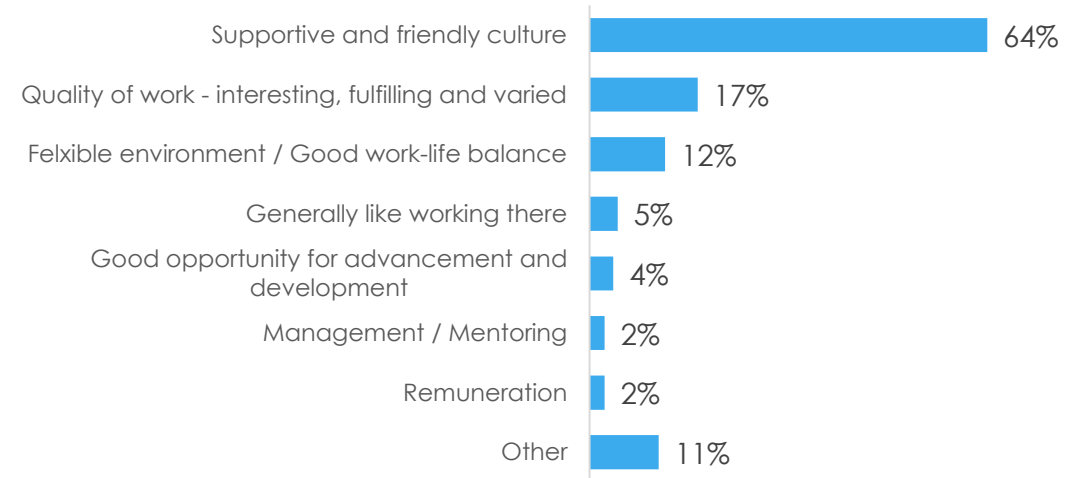
Base: All (n=502)

Reason for Score

- Culture is the most common reason why lawyers scored as both Promoters and Detractors showing the importance of this aspect when looking at workplace advocacy (64% and 35% respectively).
- Lawyers saying the work they do is interesting, fulfilling and varied is the next most common Promoter theme, while long hours and big workloads make up the second largest Detractor theme.

Base: Promoters (n=206), Detractors (n=96)
Q. Why did you score that way?

Promoters



Detractors



What's Driving Advocacy?

- Looking at what is driving advocacy shows that lawyers being challenged and feeling like they have opportunities to grow are the areas that workplaces are excelling at.
- However, only half of lawyers agree that the level of stress they experience in their role is acceptable and that they have a healthy work-life balance – continuing to be the biggest issues related to employee experiences.

Q To what extent do you agree with the following statements with regards to your place of employment?*



*%s reflect those who either agree or strongly agree

Base: All (n=453)



02

Stress and burnout

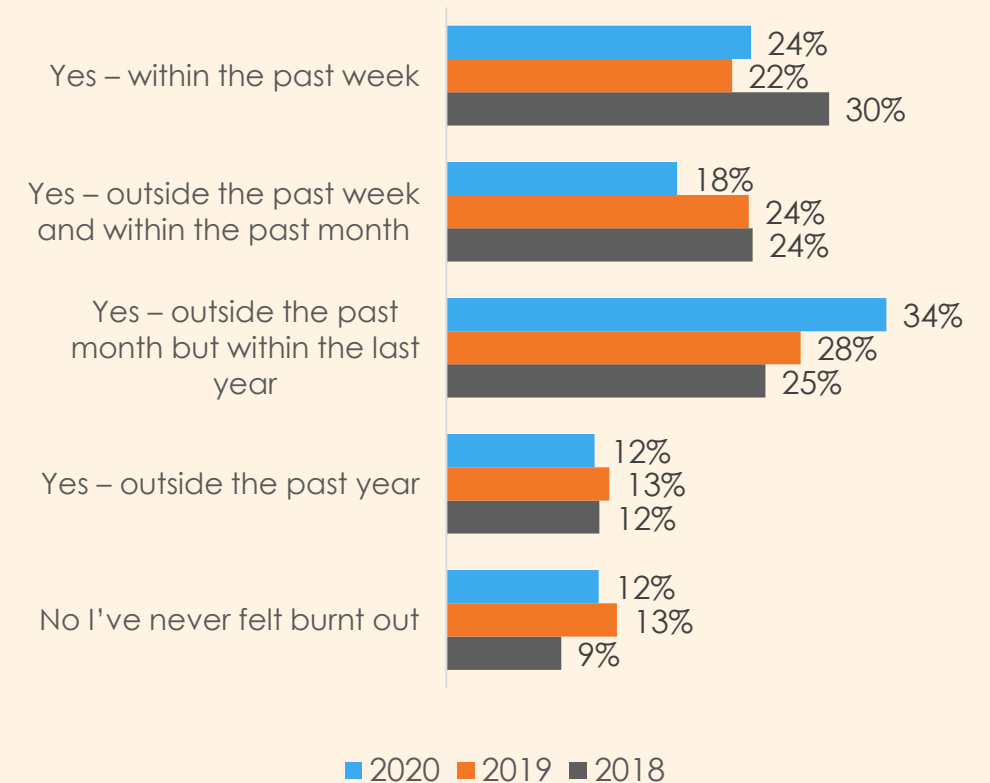
How are Levels of Stress and Burnout Changing?

The number of lawyers who have experienced stress/burnout in the past month has dropped slightly in 2020, however this change is not significant indicating no tangible improvement over the past 12 months.



*Statistically significant change at a 95% confidence interval.

Q Have you ever felt like you have been burnt out at work?



Base: All (n=435)

The Effects of Burnout

The prevalence of different effects that have arisen as a result of burnout have additionally remained consistent in 2020.

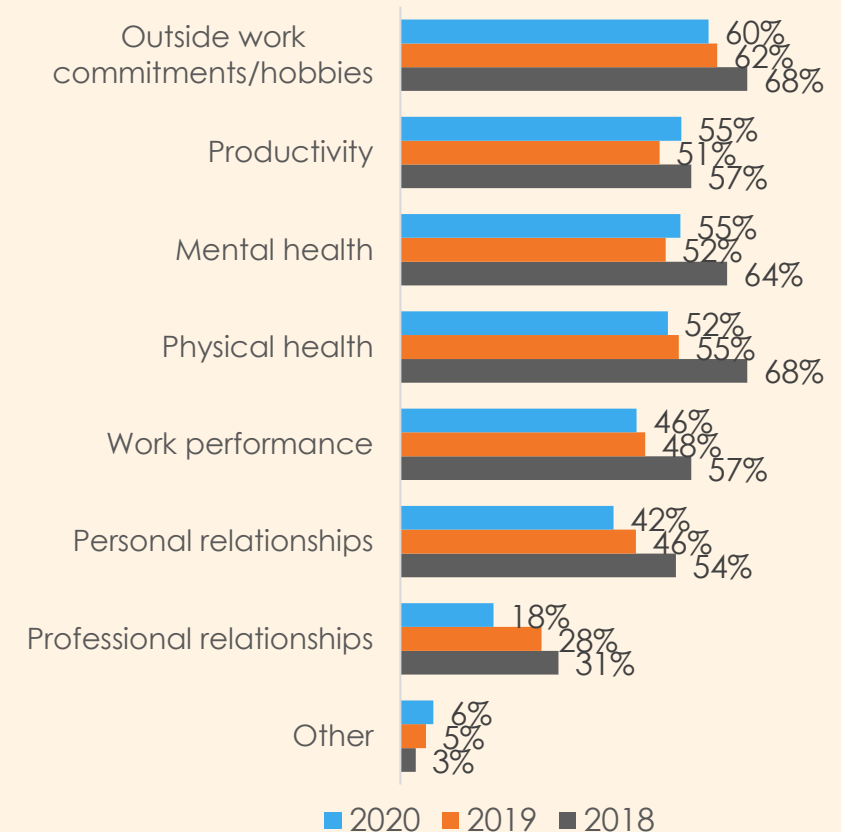
- Particularly alarmingly is the fact that over half of lawyers continue to say that their mental health has suffered due to experiencing burnout in the past 12 months – being particularly prevalent among 22-34 year olds (62%).



62% vs. **25%**
22-34 year old's 55+ year old's

say their mental health has suffered as a result of burnout.

Q In the past 12 months, which of the following have suffered personally due to stress/burnout? (select all that apply)



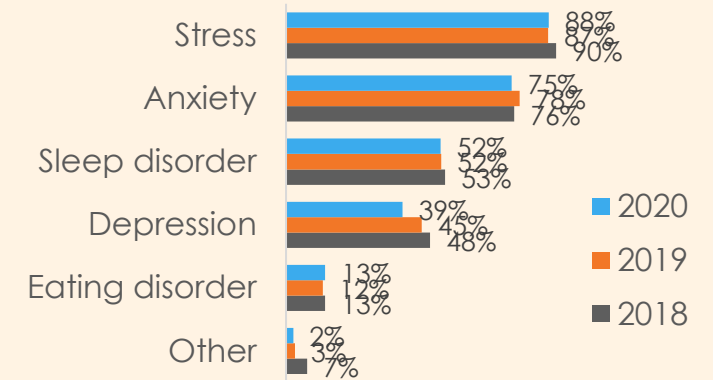
Base: All (n=435)

Effects on Mental and Physical Health

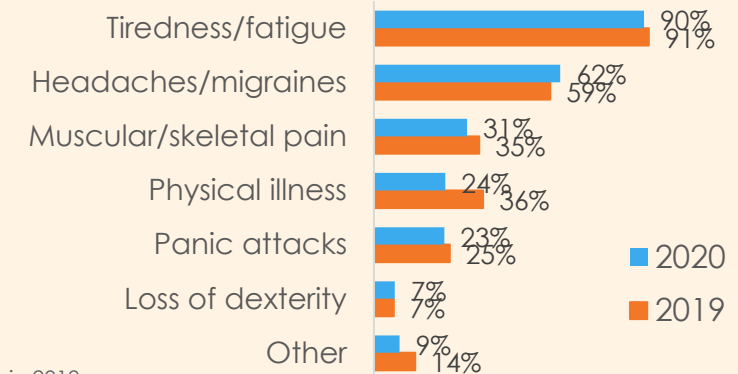
Findings continue to highlight stress and anxiety as being prevalent mental health issues experienced among lawyers.

- While not significant we are seeing some indication of a downward trend for those who have experienced depression.

Q Which of the following **mental health** issues have you experienced in the past, as a result of stress/burnout? (select all that apply)



Q Which of the following **physical health** issues have you experienced in the past 12 months, as a result of stress/burnout? (select all that apply)*



*New question in 2019

Base: Those who have experienced mental health effects (n=238); Those who have experienced physical health effects (n=227)

Ways Lawyers Relieve Stress

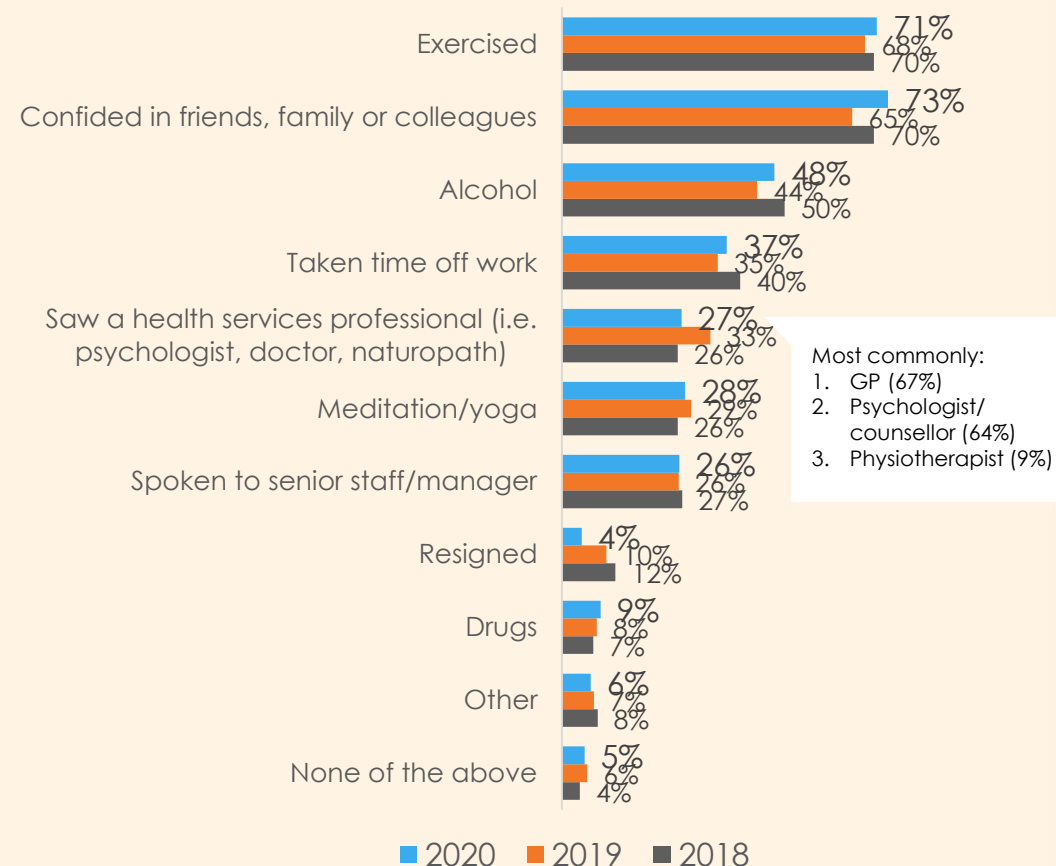
Findings haven't shown any significant shift in the way that NZ lawyers are dealing with the effects of stress and burnout, where a significant number are still turning to less healthy options (including alcohol and drugs).



50%

of all lawyers have either used alcohol or drugs as a coping mechanism for high stress

Q Thinking about occasions you have felt under pressure/stressed in the past 12 months have you used any of the following to help relieve this? (select all that apply)



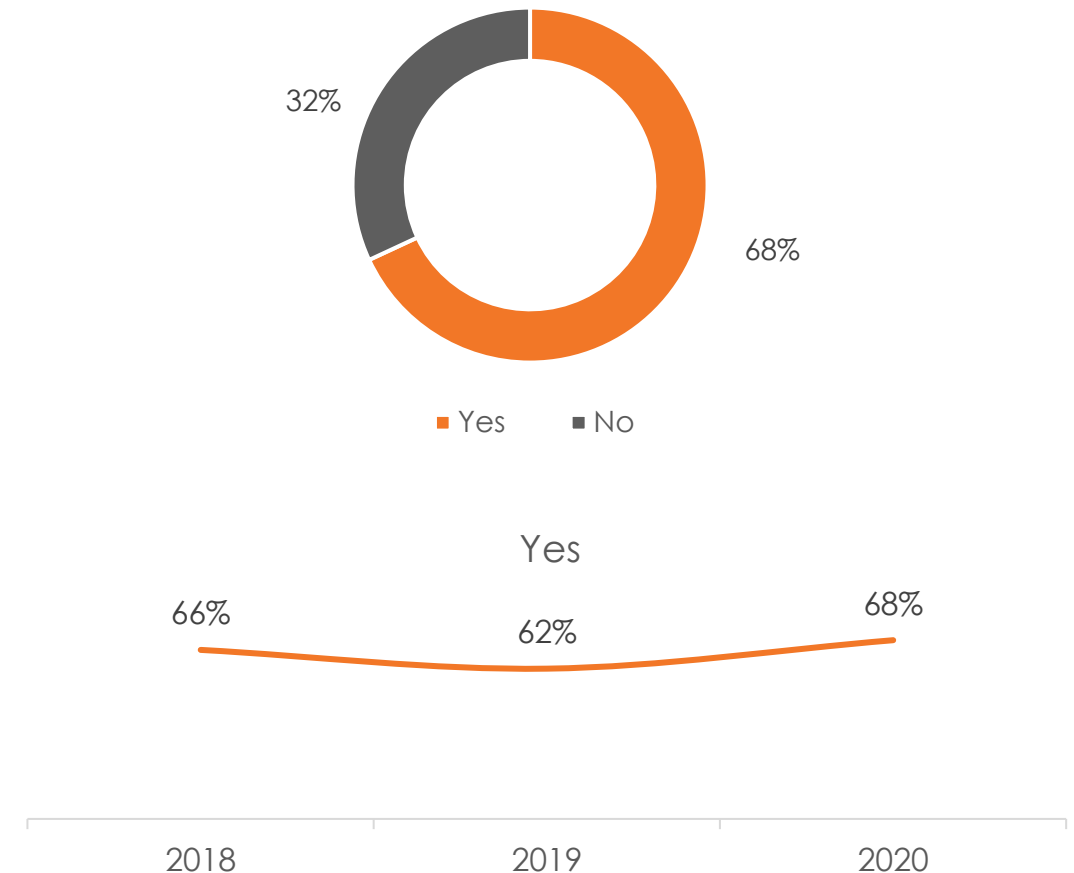
Base: All (n=425)

Can Workplaces do More to Help Relieve Stress / Burnout?

A similar number of lawyers (around two in three) continue to think that their workplace could do more to reduce stress (up non-significantly compared to 2019).

- This feeling continues to be more prominent among younger lawyers (79% among 22-34 year olds vs 27% among 55+).

Q Do you think your workplace could do more to reduce stress?



Base: All (n=425)

What Can Workplaces do?

Offering mental health days continues to be seen as a popular initiative to reduce the level of work related stress in 2020 (identified by 62% of those who think their workplace can do more).

- Better policies around the incentivisation of overtime work and increased management training for senior staff also continue to be highly ranked.
- Positively, this year we saw a significant reduction in the demand for better support systems, potentially reflecting improvements by firms and the industry at large in regards to this area.

*New statement in 2019.

Q Which of the following if any do you think your place of work could do to improve work related stress? (select all that apply)



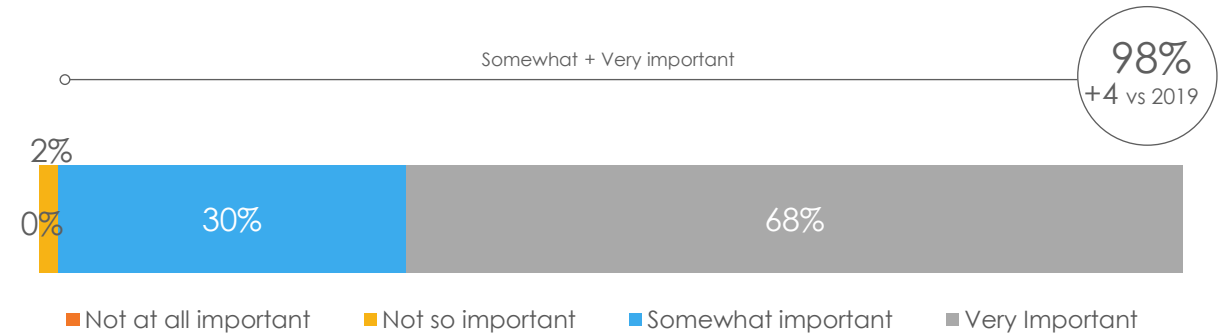
Base: Those who think their workplaces can do more (n=288)

Re-Thinking the Management Structure

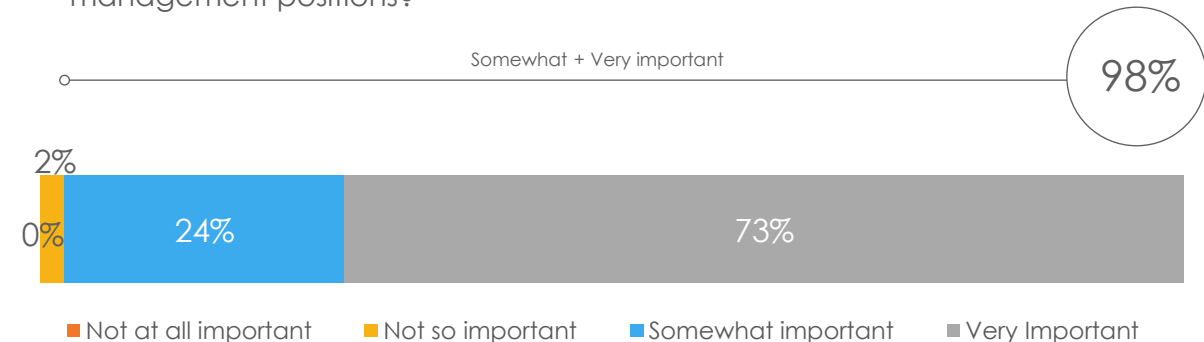
Those practicing in law firms (small, medium or large) continue to almost unanimously feel that senior staff should have increased focus placed on their ability to be good managers.

- In addition, nearly all lawyers feel that it is important that firms provide specific management coaching/training to people before they attain management positions.

Q Thinking specifically about your firm, how important do you think it should be that managers and senior staff have management skills as part of their selection criteria and/or have an increased focus on training in this area?



Q And, how important do you think it should be that firms provide specific management coaching / training to people before they attain management positions?



Base: Those in small, medium or large law firms (n=304)



03

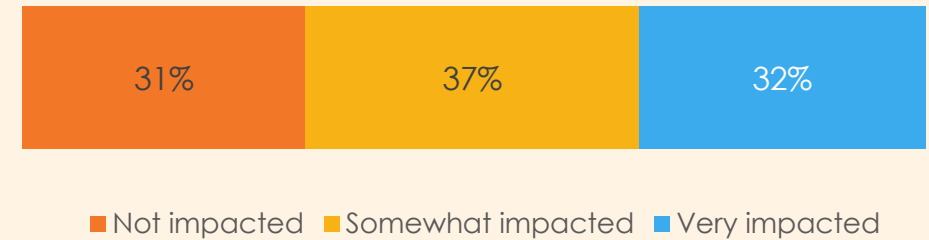
Flexible working

COVID-19 Impact

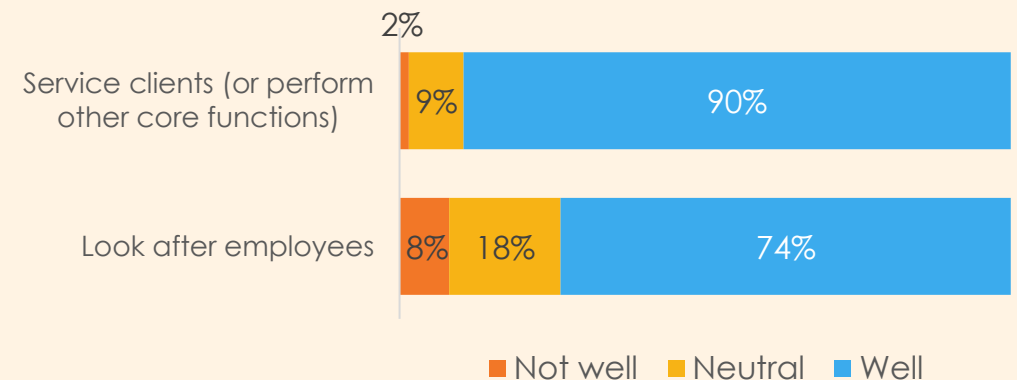
While the level of overall impact varies, among different organisations, the high majority of lawyers feel that their place of work managed its ability to service clients well throughout the COVID-19 pandemic.

- Contrastingly, only around three quarters felt that their place of work managed their ability to look after employees well however.

Q How has your place of work been impacted (if at all) so far by COVID-19?



Throughout the pandemic, how do you think your place of work has managed its ability to:



Base: All (n=421)

Working From Home

WFH was a positive outcome from the pandemic however, where almost half of lawyers feel that working from home has a positive effect on their overall well-being.



Impact of WFH on productivity

35% vs. **20%**
felt more productive vs. felt less productive

Q What effect does working from home have on your well-being?



■ Negative ■ Neutral ■ Positive

Key themes driving negative experiences

- Can't see clients / harder to connect with colleagues
- Hard to disconnect – no separation between work and home
- Difficult to access support & mentoring
- Lack proper work set up
- Children at home

Key themes driving positive experiences

- More time / flexibility - better work-life balance
- Calmer environment / less distractions / ability to focus better
- No commute
- Able to exercise more
- Able to spend more time with family

Base: All (n=415)

Work From Home Policy

Lawyers cite that their ideal structure around working from home would be 1-2 days a week depending on schedules.

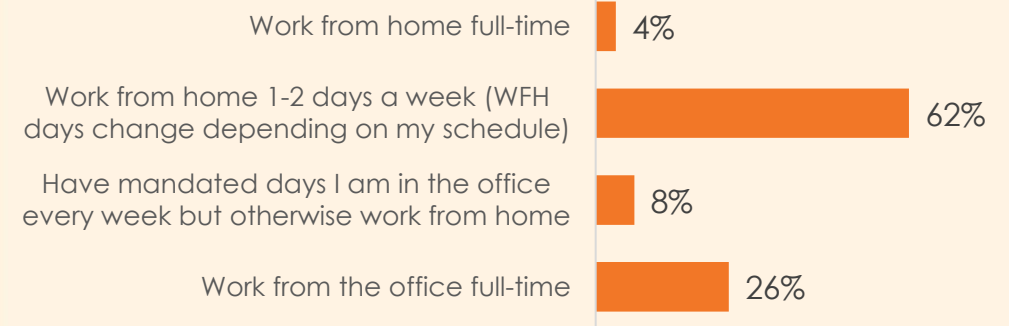
- Positively this is also the most common WFH policy that is in place. However, over a quarter say that they are still required to work from the office full-time.



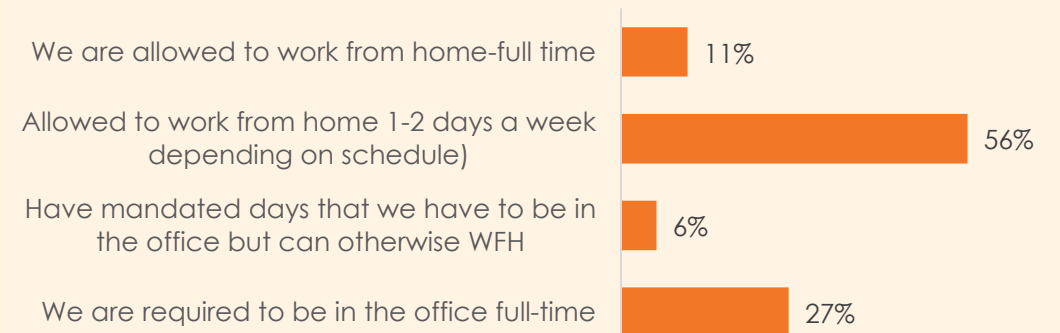
72%

say their organisation has become more flexible with regards to WFH policy as a result of COVID-19

Q Thinking about how you would like to work moving forward, what would be your ideal structure?



Q Which of the following best represents the policy your place of work has in place regarding working style/structure?



Base: All (n=414)



04

Changing culture around bullying and harassment

The Level of Bullying and Harassment that Exists

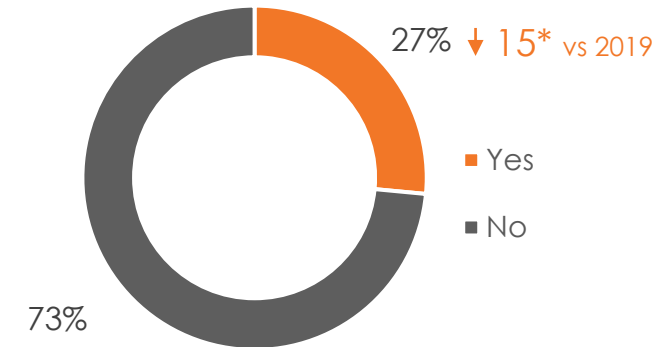
The level of bullying in NZ law firms has dropped significantly over the past 12 months.

Additionally, the level of sexual harassment has also dropped significantly.

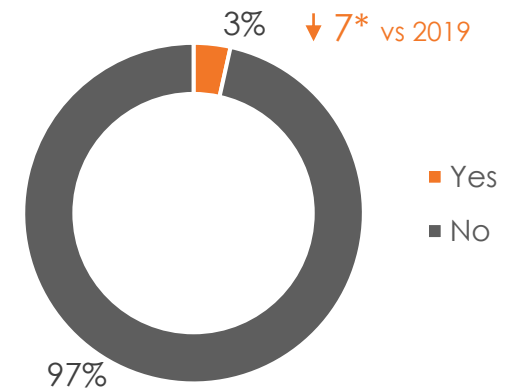
- Both results positively show that steps the industry is taking to reduce bullying and harassment are having a tangible impact.

* Statistically significant change at a 95% confidence interval.

Q Besides yourself, do you know anyone who has been **bullied** within your workplace in the past 12 months?



Q Besides yourself, do you know anyone who has been **sexually harassed** within your workplace in the past 12 months?



Base: All (n=413)

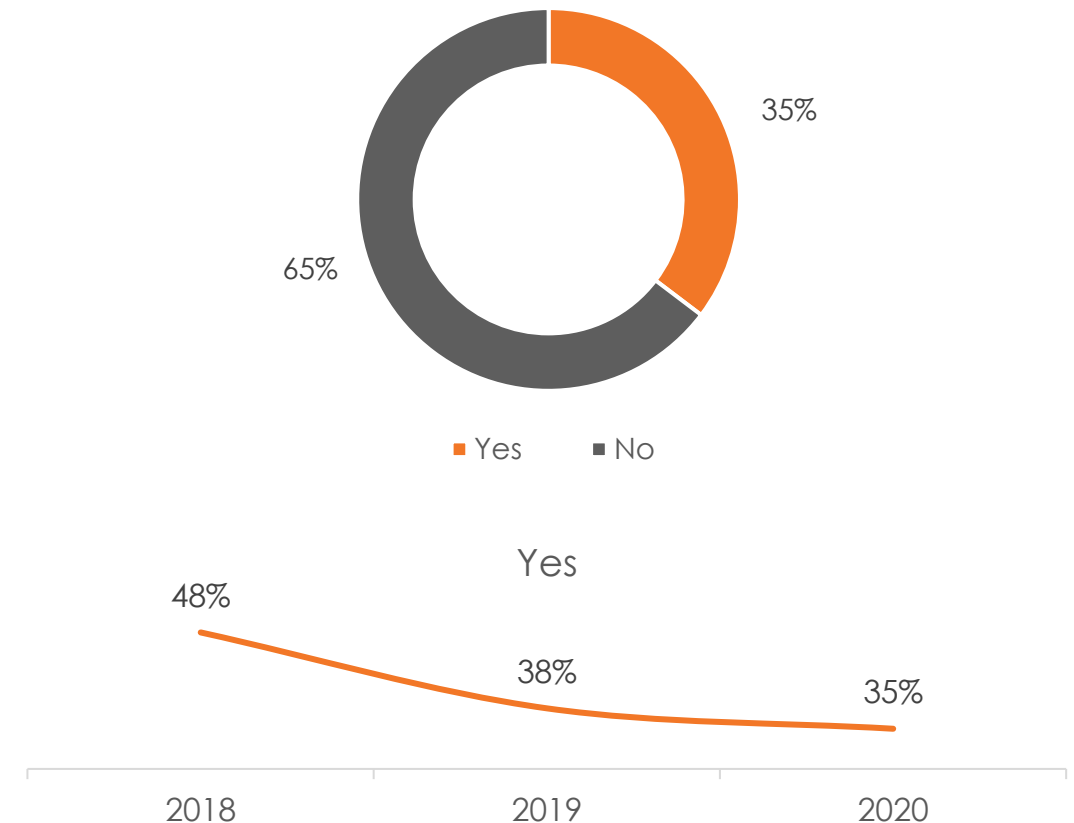
Who Still Needs to Do More to Adapt?

Despite not being a significant year on year change, in 2020 we have seen a continuation of the trend where less lawyers feel that their place of work has to adapt to address some of the issues surrounding sexual harassment and bullying.

- This trend supports the significant reduction we have seen in both sexual harassment and bullying over the past 12 months.

*Statistically significant change at a 95% confidence interval.

Q Do you think your place of work needs to adapt to address some of the potential issues that have been raised around sexual assault allegations and bullying in the legal industry?



Base: All (n=413)

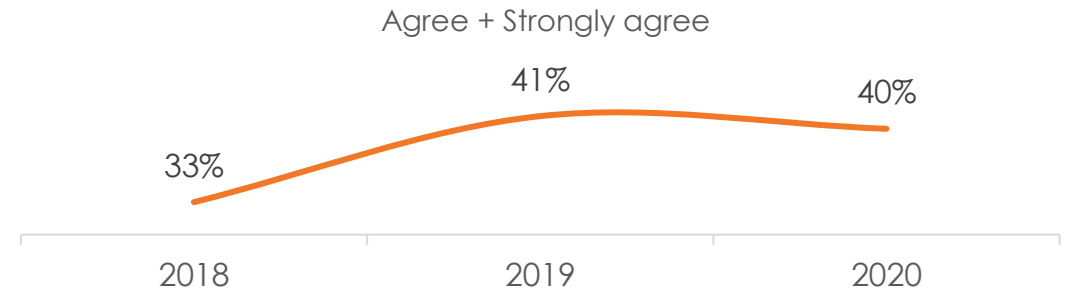
How Work Environments are Changing

Agreement around both statements relating to how workplaces would respond to allegations around sexual harassment and bullying have remained consistent this year, maintaining the positive changes we saw in 2019.

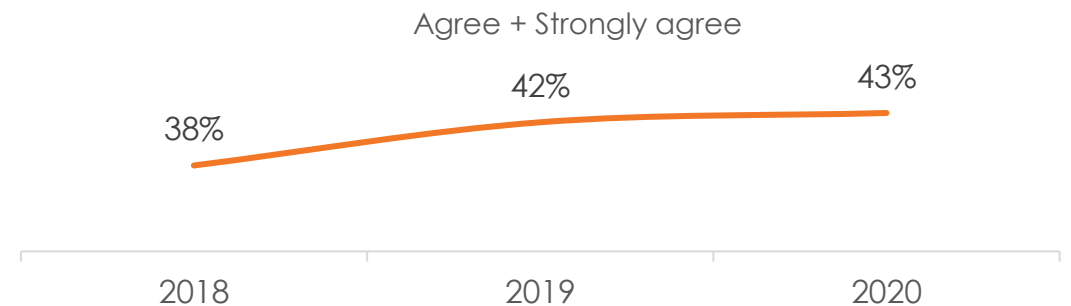
- Positively it is younger lawyers who continue to most commonly agree that they have seen tangible changes in their workplace (46% 22-34 year olds vs 31% 55+).

*Statistically significant change at a 95% confidence interval.

Q I have seen tangible changes in my place of work/area of law that increase my confidence that the system would respond appropriately to allegations of sexual harassment and Bullying



Q My place of work/area of law has introduced new policies, procedures or systems that make it easier for people to speak up when they have concerns



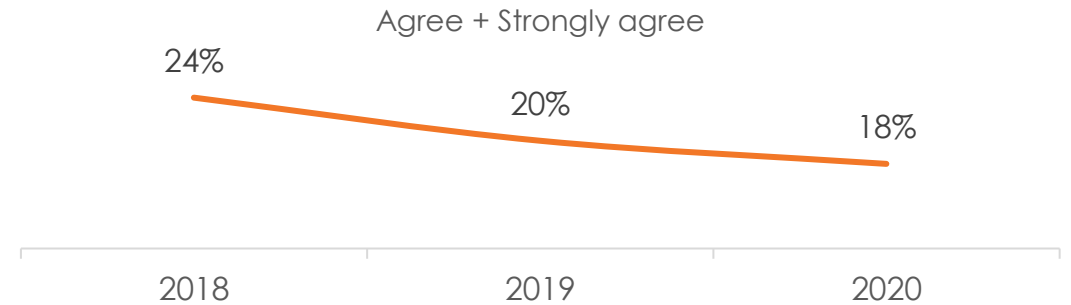
Base: All (n=404)

How Work Environments are Changing cont...

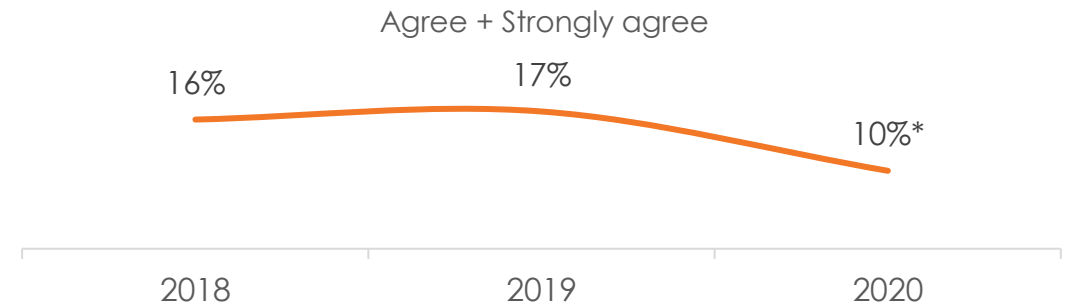
Pleasingly we have seen downward trends in agreement across lawyers feeling that their firm hasn't made changes as a result of not being in the spotlight and lawyers feeling less confident mentoring or coaching members of the opposite sex.

*Statistically significant change at a 95% confidence interval.

- Q My place of work/area of the law is not in the spotlight and has been slow to make any changes as a result



- Q I feel/would feel less confident mentoring or coaching members of the opposite sex



Base: All (n=404)



05

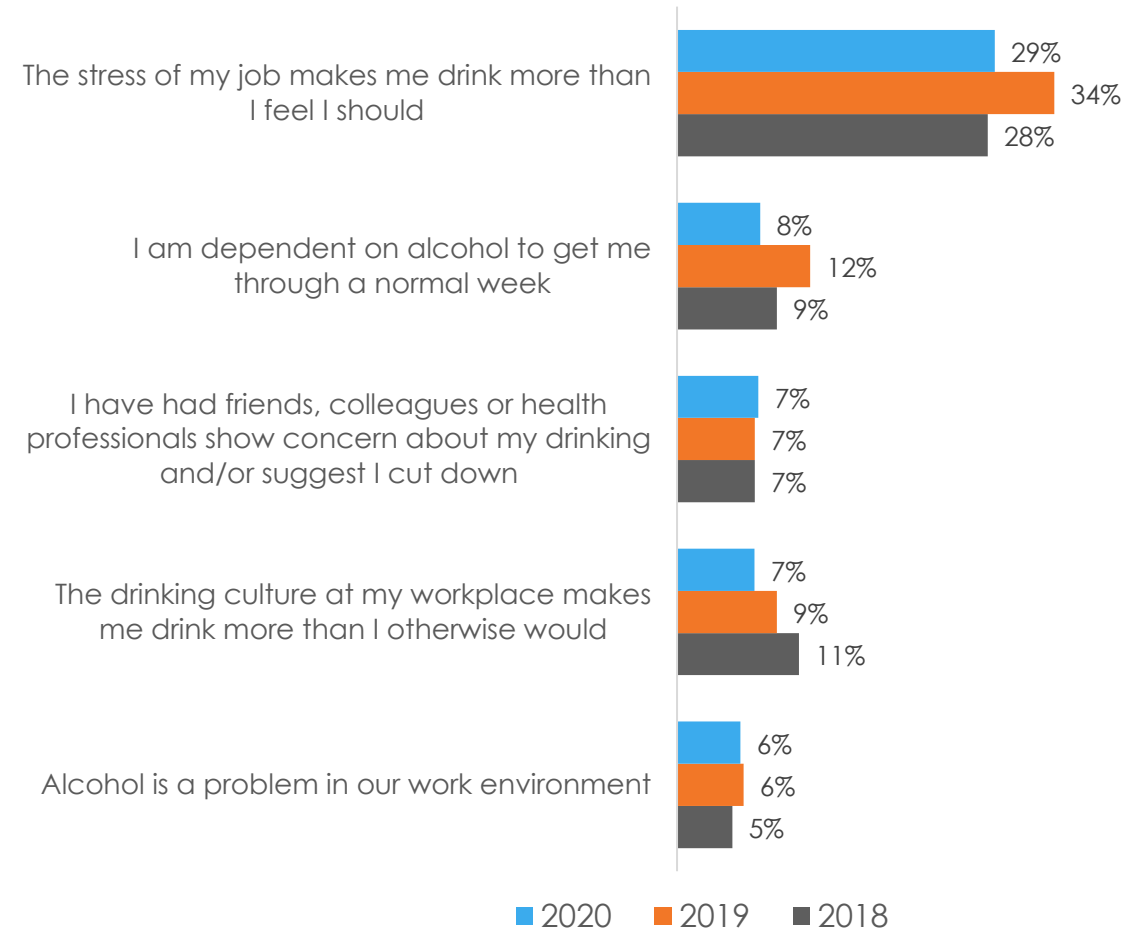
Alcohol

Is there an Issue?

While there is some indication of positive trends, no changes are significant highlighting alcohol as an area that needs to be monitored.

- Most notably, we still witness just under a third (29%) of lawyers saying that the stress of their job makes them drink more than they feel they should.
- Findings indicate that this is particularly present among those who work in small law firms (52%).

Q For the following statements around alcohol, please state your level of agreement



Base: All (n=404)



06

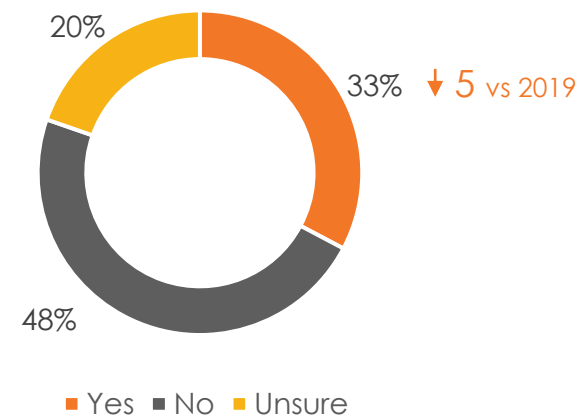
Diversity

Unconscious Bias in the Workplace

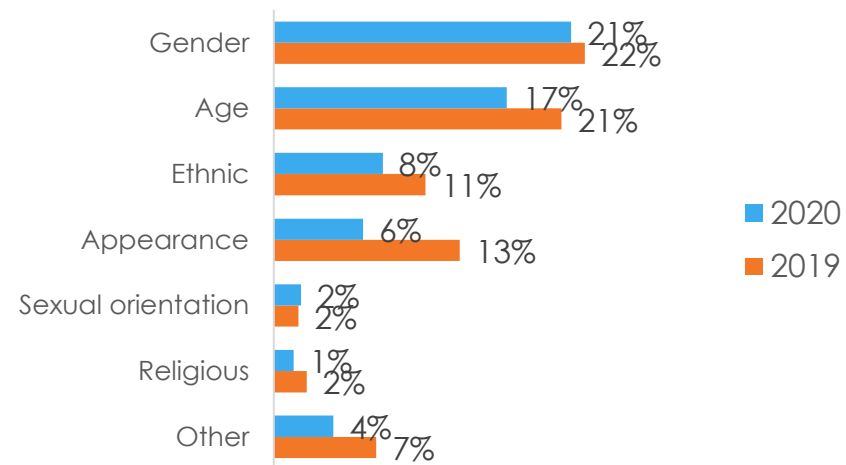
Despite being non-significant, a smaller number of lawyers report having experienced bias against them in the past 12 months, being indicative of a positive trend.

- Gender bias continues to be as prominent as it was in 2019 however, with one in five lawyers (32% of females) saying they experienced some sort of gender bias over the past 12 months.

Q In the past 12 months have you experienced any level of bias against you in the workplace? (including place of employment, colleagues, Courts/Tribunals)?



Q What type of bias have you encountered over this time? (Select all that apply)



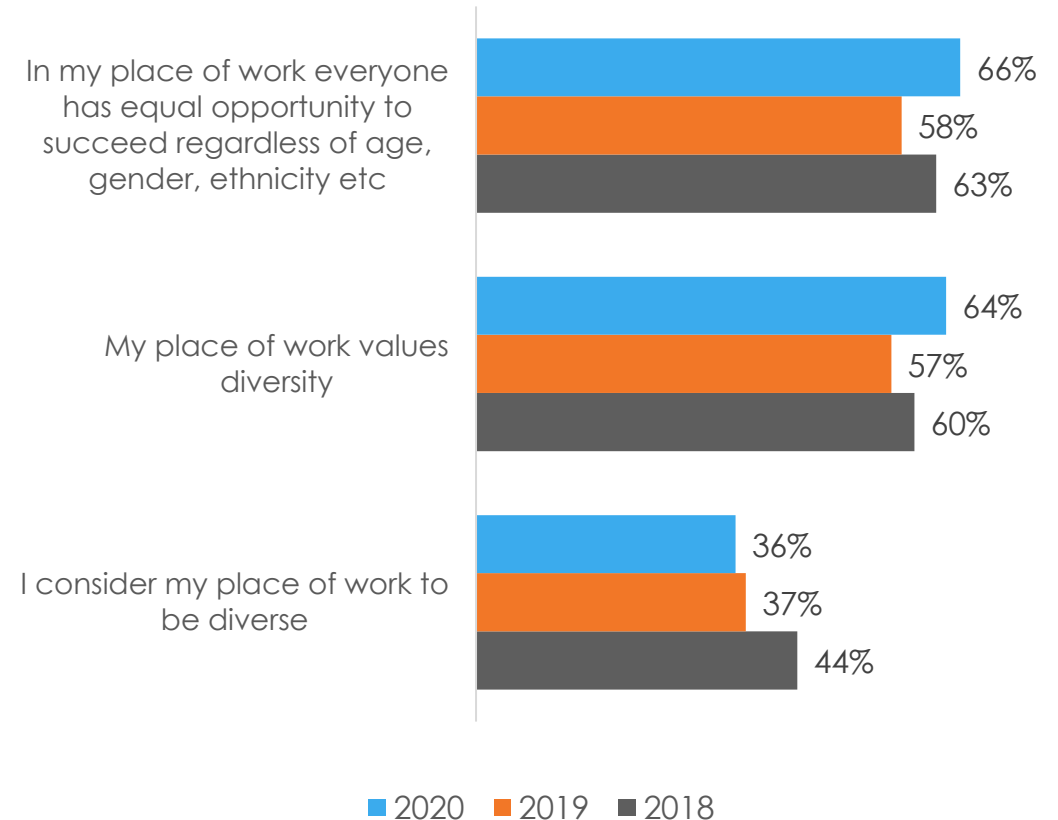
Base: All (n=404)

Diversity in the Workplace

This year we have seen a significant increase in agreement around legal workplaces both providing equal opportunity and valuing diversity.

- Contrastingly, however, we have seen a slight decline in agreement around lawyers considering their workplaces to be diverse (a metric that has been trending downwards since 2018).

Q Please state your level of agreement to the following statements



Base: All (n=404)



07

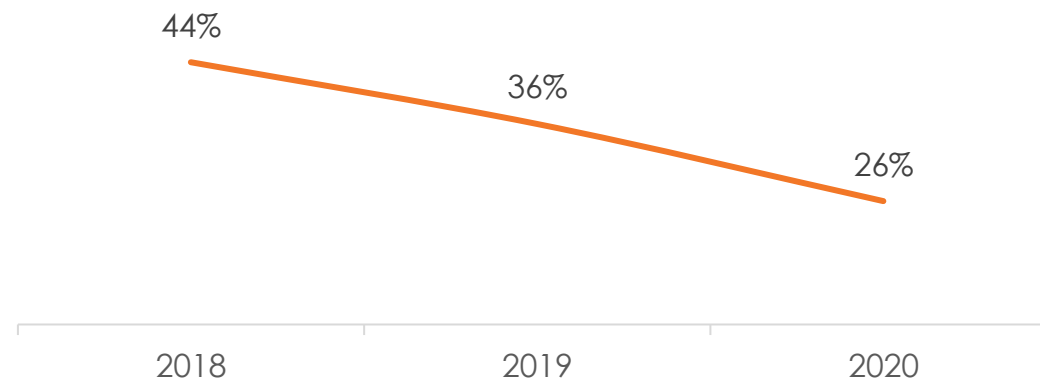
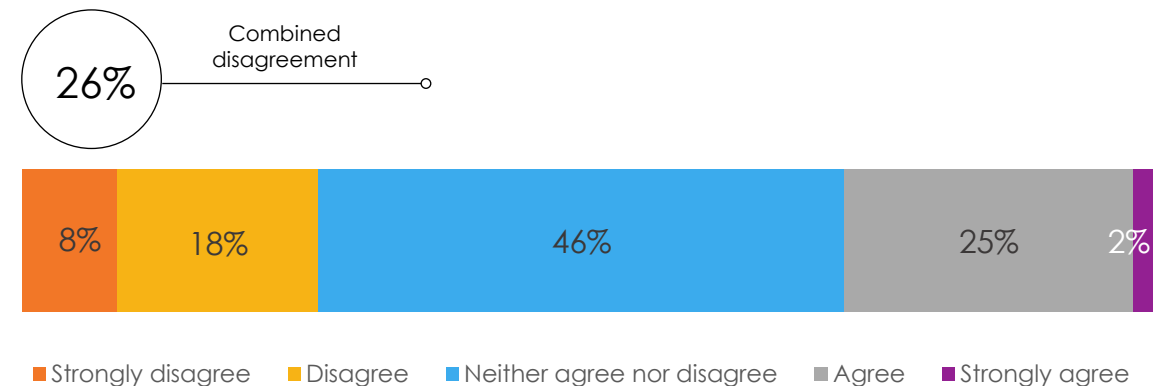
Support networks

Does the Industry Have Adequate Support Services?

Positively disagreement around the legal industry having adequate support services and systems, has dropped significantly again in 2020.

While this shows positive signs, it is worth noting that agreement has not shown the same movement (no change year on year), with a significant increase in the proportion who neither agree nor disagree.

Q Please state your level of agreement to the following statement.
The legal industry has adequate support services/systems that are both available and accessible to lawyers in the industry when they are struggling?



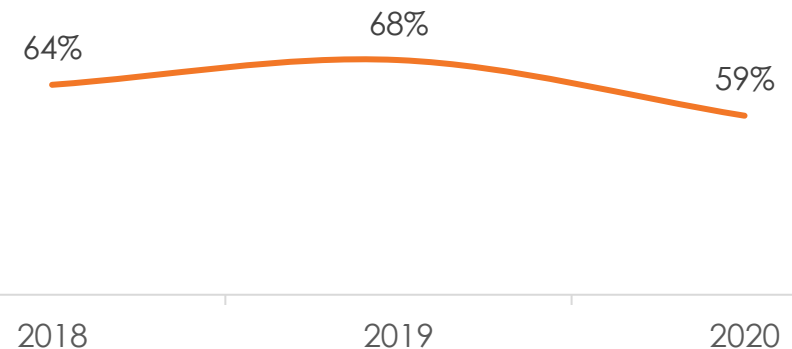
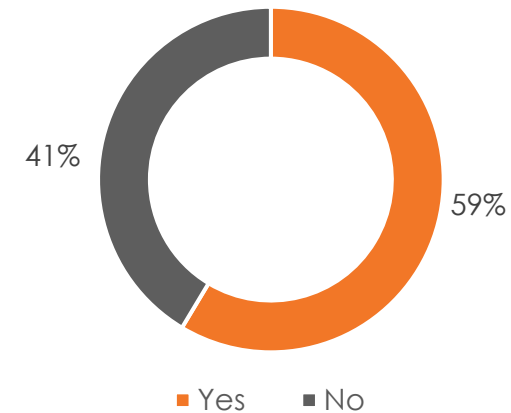
Base: All (n=403)

Awareness of Initiatives

Awareness around NZLS initiatives such as Practising Well and the LawCare helpline has shown a significant decline this year, with six in ten lawyers being aware.

- The drop in awareness is particularly prominent among 22-34 year olds (57% 2019 vs 49% 2020) who continue to show significantly lower awareness compared to their older counterparts.

Q Are you aware of NZLS initiatives such as Practising Well and the LawCare helpline?



Base: All (n=403)



08

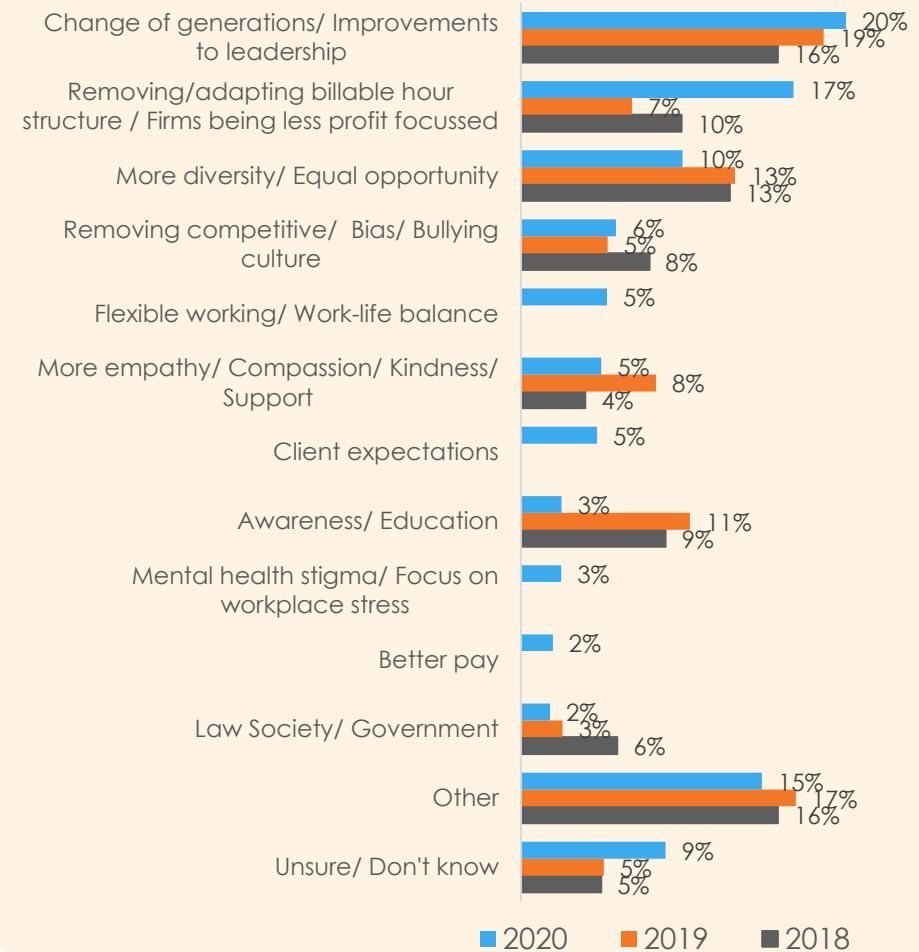
Changing the
industry

Blue Sky Thinking

A change of generations/improvements to leadership continues to be the key thing that is deemed to have the power to change the legal industry (20% in 2020)

- We have however seen an increase in references surrounding billable hour structures, with additional references highlighting a demand for less of a profit focus in 2020 (17%).
- Flexible working was a new theme present in 2020 (referenced by 5%), supporting findings around the positive impact of WFH.

Q If you could pick one thing which you believe has the power to change the culture of the legal profession, what would it be?



Base: All (n=402)

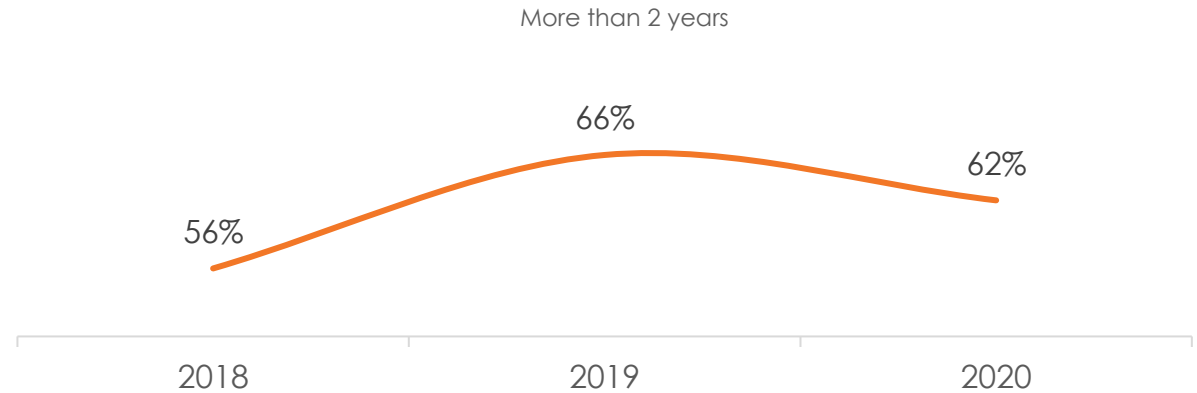
Career Paths

Despite showing a slight (non-significant) decline, we still see improvements in the number of lawyers who intend to stay in their current role for at least the next 2 years when compared to 2018.

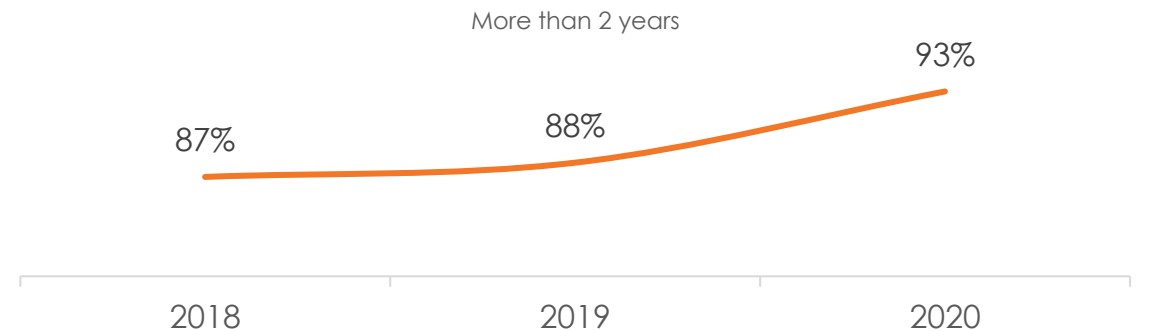
- We also continue to see an upwards trend surrounding the number of lawyers who plan to stay within the legal industry over the medium to long term.

*Statistically significant change at a 95% confidence interval.

Q How long do you plan to stay in your current role for?



Q How long do you plan to stay within the legal industry for?



Base: All (n=401)



09

Summary

Summary

Across the industry, there is a net positive level of advocacy with 44% of lawyers being Promoters of their workplace.

- One in five however scored as Detractors showing that there are still legal workplaces in the industry with negative cultures.

Drivers of advocacy shows that lawyers being challenged and feeling like they have opportunities to grow are the areas that workplaces are excelling in.

- However, only half of lawyers agree that they have a healthy work-life balance and that the level of stress they experience is acceptable – continuing to be the biggest issues related to employee experiences.
- Additionally, a high proportion of lawyers (68%) continue to feel that their workplace could do more to reduce stress and burnout continuing to highlight this as a key area where improvement is needed.
- COVID-19 lockdown has taught us that WFH is a powerful tool that can be used to improve the well-

being of lawyers. As well as considering initiatives such as mental health days and senior management training, organisations should be reviewing their WFH policy to ensure that it is inline with what employees want/expect.

Positively, we have seen significant declines in the levels of bullying and sexual harassment that is being witnessed in workplaces, indicating the profession is improving in this area.

- Despite some positive trends, bias and diversity aren't showing the same level of improvement however, with a third of females having experienced gender bias in the last 12 months and less lawyers considering their workplace to be diverse in 2020 compared to 2018.

Overall, more lawyers plan to continue working in the legal industry for at least the next 2 years, a metric that has been trending upwards since 2018, validating the strides that the industry as a whole has taken to improve the experience of practicing lawyers



Thank you
