

Why Associates Leave Firms: Pain Points & Opportunities

By Fiona Trevelyan Hornblower, Esq. and Jennifer Mandery

Why do associates leave firms, and how does what firms understand about their reasons for doing so differ from what the associates themselves reveal? The NALP Foundation will be sharing intriguing new data at the 2023 Fall Symposium on recent research revealing key factors to probe when talking with both firms and talent.

Each year, The NALP Foundation collects reams of data from law firms on their associate hiring and attrition through its *Update on Associate Attrition*, and also directly from thousands of young graduates via its *Law School Alumni Employment and Satisfaction* study. The data from both studies illuminate major factors influencing associates' departures from firms – and not surprisingly, while there is some alignment between those identified by firms and those reported by early stage career lawyers themselves, there are also notable differences. Here are a few key tidbits.

Leading Departure Drivers

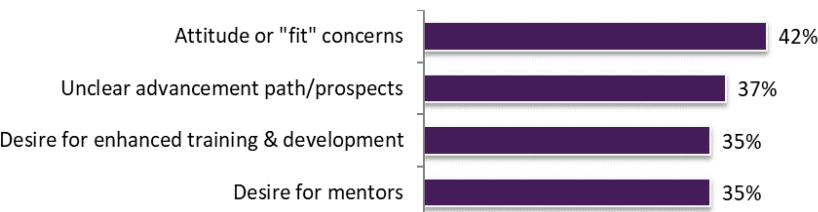
Law firms regularly designate the pursuit of specific practice area interests and a desire for a career change to another type of legal job as prime reasons for associate departures. The new data from the most recent *Attrition* survey surfaced additional reasons for both associates who joined as entry associates and lateral associates, however. Most notably, the associates point to better compensation (7% and 11%) and better support for work/life balance (8% and 9%). These not only emerged in the firm data, but also were cited by alumni themselves in the *Alumni* study as departure drivers, but at much higher rates, with better compensation cited by 62% while better work/life balance support was listed by 39%.

“I’m seeking a better work life balance and improved compensation.”

Community and Development

Young alumni also revealed key additional factors that lead them to leave: a whopping 42% cited attitude or “fit” concerns with the organization as motivating their job change. Professional development issues, specifically lack of clarity around advancement prospects (37%) as well as desire for enhanced training and development and mentoring (both 35%), were also significant reasons for switching positions. So alumni are clearly reacting not only to the current environment, but also keenly assessing how an organization can support their desired career trajectory.

Reasons for Changing Jobs



Intriguingly, alumni also reported desire for remote/flexible work arrangements as the impetus for switching jobs at much higher rates (19% than did firms (2%). As firms revisit their work policies, this will offer an opportunity for those with more flexible policies to attract talent from places with less flexible options.

Show Me the Money

Even with the recent substantial increases in associate salaries, money is a significant driver for associates' career choices, as noted above. This is not surprising, given the high level of debt graduates incur to attend law school. With the average debt load three years after graduation now at \$105,546 (and even higher at \$133,854 for alumni of color), the effect on job choices is marked: over half (56%) of those reporting debt of over \$100,000 in the *Alumni* study stated their debt impacted their overall job choice, with 35% saying it also affected the sector in which they chose to work. In contrast, those with no debt reported a negligible impact in job selection, at only 5% and 2%, respectively. Importantly, it is not only the relative compensation between two positions that may drive an associate, but their personal financial situation and the potential impact of a move on that.

Educational Debt Remaining (Mean) – Three Years Post Graduation



The Kids are Not Alright

While the pandemic may appear to be waning, its negative effect on young lawyers' mental health continues to rise. In the most recent *Alumni* study, 27% of young alumni cited better support for well-being and mental health as their primary motive for their job change. Employers with leading offerings on this front may therefore have a significant competitive advantage to tout in the talent market.

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COVID-related reasons such as vaccination or testing policies, or dependent care, however, remain essentially non-factors for job changes, with only 2% of alumni reporting this, while firms report it at even lower levels of 1% or less.

Join us at the Fall Symposium to hear more about the above issues, as well as key career satisfaction metrics and risk factors, and a preview of the Foundation's exciting upcoming study on the factors driving associates to stay at firms.

All NALP Foundation research is available at www.nalpfoundation.org.

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