

Briefing

LEARNING & DEVELOPMENT

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Dealing with the Y factor

Interview

HR goes client-facing

Jonathan Bond, Pinsent Masons' HR chief, on creating the next generation of law firm HR – cash-generating, client-facing and strategic

Feature

Training Generation Y

Law firm HR faces some grand challenges, from internationalisation to a YouTube generation of staff. How will it address these successfully, and what can you learn from those already doing it?

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It's time for HR to shine (if it's allowed)



In this month's [interview with Jonathan Bond](#) one of legal HR's leading lights, I asked why it is that law still doesn't seem to value HR as probably the most important role inside today's law firm? Legal is, after all, the most 'people' of people businesses. His answer? Old-fashioned attitudes.

But if these attitudes don't change, firms will suffer serious staffing

consequences – and they need to be changed now.

In some forward-thinking firms, things are different. HR units can become client-focused and revenue-generating, and they are at the heart of a firm's strategy – before it's made.

In our feature, [Training Generation Y](#), by journalist and employment lawyer Polly Botsford, we examine the seismic shift that's happening in staffing – Generation Y's

needs and expectations – and how HR is re-writing the rules of learning and development to create better managers for tomorrow's more competitive legal market, with some great advice from Freshfields' global HR director, Kevin Hogarth.

It's a useful and, to me, usable examination of legal HR – just what you'd hope from an L&D special.

Rupert White, head of content and community



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Interview: Jonathan Bond of Pinsent Masons

Rupert White quizzes Pinsent Masons' award-winning director of HR and learning about staffing tomorrow's firm, and how to turn HR into a revenue-generating, client-focused department

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Our interview with Jonathan Bond was transcribed by:



“The characteristics of the people who are joining firms now are completely different. Their motivations are different, and part of that is that they want information available to them at their fingertips.”

Kevin Hogarth, global HR director, Freshfields

INTERVIEW

Client-facing, fee-earning... human resources?

Jonathan Bond, Pinsent Masons' director of HR and learning, talks to Rupert White about staffing tomorrow's firm – and how to turn HR into a revenue-generating, client-facing business inside the firm

Jonathan Bond is one of those names that one hears mentioned in the right circles. Innovative, business-like, commercial, strategic – all words that get attached to him and his firm.

He was the *Lawyer's* HR Director of the Year in 2008, the same year he and the team at Pinsent Masons put their firm on the diversity map before anyone else, being picked as the first law firm in Stonewall's Equality Index. Diversity has become one of the big employment issues in law – the Law Society (rightly) makes a huge deal out of it, the Bar has recognised it has to reform along equality lines, and firms have started to vie to demonstrate how they're becoming more inclusive.

Pinsent Masons has also proved to be innovative in terms of internal service delivery and adding value to client relationships – for example, it's moved non-client-facing departments to

regional offices, sold training programmes to clients and developed an award-winning multimedia training solution for corporate HR: HR Network TV.

Bond says that much of this innovation is down to the fact that Pinsent Masons is a new firm, formed out of merger in 2004, and that its leadership doesn't think traditionally. But it also has to be about him – he's got to come up with the good ideas for the forward-thinking management to accept, right?

"In some law firms, HR is just a sort of a back office administrative function that does the basics, and the partners run the firm. The beauty here is that HR is not seen like that – HR is seen as a leading voice in the organisation, that's there to propose and then to lead on change initiatives."

This brings up something I've always found perplexing about the legal sector: you'd think that HR would be the most important back office

function in law firms – as important, in fact, as any practice area, because law firms are people businesses through and through. But there are still many firms in which HR is not seen as strategic, or leading.

Bond says this is down to "old-fashioned attitudes, probably". To correct this, he says, something fundamental has to change within law firms – who owns them, and how the governance is structured. "We should look at the partnership [structure] that helps encourage the attitude that partners are in charge of the firm, partners run the firm, and partners do the important thinking and decisions about the future – [while] business development and IT and HR are all just back office functions who run the machinery of the firm."

"In some firms you have these very derogatory terms that describe people that aren't the legal arm: support staff, support departments,

admin, non-lawyers. We use 'business support', which isn't perfect, but it's the best I can think of."

So it's at newer firms such as Pinsent Masons, he says, where one will see change embraced.

"The question is: Why would [those older firms] be different? If you went to the Slaughter and May board, you can forgive them for saying: 'Why change a uniquely winning formula? Why do we need to do things differently?'. [But] Pinsent Masons is like a new kid on the block – it knew it needed to make its mark, establish itself and do things better and differently – and there was an aspiration to push forward."

HR and strategic vision

This notion that people like Bond are listened to at Pinsent Masons because it's a newer firm chimes with Neil Kinsella's

INTERVIEW JONATHAN BOND cont.

position in the last issue of **Briefing** – that, because Russell Jones & Walker essentially had to remake itself relatively recently, it's run in a more corporate way as a result.

But to do things better and differently, you need a plan, a strategy. You need business support people with vision to help a law firm have a great strategy, but you also need a firm that's willing to listen to them. "Every HR director should be in a position where their input is welcomed and seen as relevant to shaping the strategy," Bond says.

Pinsent Masons has a vision running out to 2020, he says, which was set out in 2008. After the strategy was set, "we had to work out what the HR function needed to do to move the firm from where it was to where it wants to be".

"We won't do that by just carrying on doing the bread and butter things in HR function, by paying people, by hiring and firing and running grievance and disciplinary processes and so on. We'll do that by having a programme to reinvent the organisation, to change the culture, to get lawyers to do things differently and, maybe, to change the role of the partner – the way a partner is assessed and paid – as well as changing the skills that we look for in people. It's a programme of change, which needs to be led by HR."

A key agent of change in

law firm HR is the need to become much better at efficient sourcing – both internally and through the adoption of outsourcing arrangements. This area is at the heart of the near-term future for HR people – so vital that Professor Richard Susskind says it's the most significant challenge

maximised its national spread to move work to lower-cost areas in the UK rather than sending the work outside. This is a conscious attempt to retain the work, Bond says, not just ease. He says this approach to resource reallocation can save almost as much as offshoring/outsourcing, with

Combine that with globalisation and you get some "quite significant drivers of change", he says. Those are the global issues, but how do they relate to the legal sector? To many, you're either leading the charge or behind it, and Bond sees his firm as the former.

"We're keen to be pioneers,

we don't want to be following the crowd," he says. As proof, he cites the firm's move back in 2005 to push secretarial work (transcription) out to Exigent in South Africa. "It's a more cost-effective way of us getting transcription services done. Now a very significant amount of our typing work is done by Exigent in South Africa. At the same time, we've reduced the number of PAs, but we've increased the sophistication of the role, and had a full development programme for PAs to

support that.

"So one answer [to these pressures lies in] changing the roles, outsourcing the work, having it done overseas, putting into place a proper governance procedure for Exigent to make sure it's done properly." But, Bond says, one should never forget that outsourced work is still your work – "it's still important for us to control it and to work with the supplier".

In other words, outsourcing should always be strategic. Bond agrees – and lawyers in Exigent in South Africa are



"Every HR director should be in a position where their input is welcomed and seen as relevant to shaping the firm's strategy."

facing law firm HR people, and almost no one I've interviewed disagrees with that.

Outsourcing challenges

Pinsent Masons is already outsourcing some business process work (BPO, in other words), has moved other back office functions to lower-cost offices in the UK, and has now moved on to some legal process outsourcing (LPO) – possibly proving that doing one does often lead to doing the other. But the firm has

less hassle and much lower impact on morale.

"Outsourcing is a big issue. The legal world has changed a lot [recently], and will carry on changing quickly, partly because the recession has prompted a long-term structural change. There's no bounce back to pre-recession approaches by clients or by firms – it's a long-term, structural change."

The other major driver of change, Bond says, is technology, and the fact that technology is allowing different solutions to sourcing.

INTERVIEW JONATHAN BOND cont.

now doing junior legal work for the firm. "Again, that's a very cost-effective efficient way of getting that work done, rather than having trainees of course."

Back office futures

Some might say that farming out the drudgery deprives trainees of essential development – if outsourcers are doing all this stuff, how will you train your future partners? But Bond doesn't see it that way. It's not good experience for trainees to be doing this repeated low-level work, he says, and it's commercially blind to have them "spending days doing that type of work in an expensive office in an expensive city".

"This is a large and very diverse organisation with a whole range of practice areas, and trainees get quite a rich range of work here. It's important to keep the training contract reasonably broad, [but] when you look at the amount of time it takes to recruit a trainee, and bring them in, the investment is huge – so it's absolutely critical to make sure the trainees are of the utmost quality and have a very useful developmental training contract, where they really learn and motor forward."

How about the back office people, though? How are their development needs going to be met? More importantly, where are their future jobs?

"We can't rule out [further BPO], but I think that before taking a big step like that, we

need to be convinced that it's going to either add value or reduce cost, or do both.

"Because we're multi-office around the UK, we've already taken some internal steps to make sure things are efficient. For example, we have an HR shared services team based in Birmingham, and they're the back office

that we're seeing with some firms who have gone through that process.

"Things are changing, and the offerings of outsourcing supplies are changing all the time. But we need to think carefully before making a big step that perhaps has consequences and downsides to it.

"Some of our people who

perhaps, creating law firms that work more like 'other' businesses – reducing costs to create better value at the client's end, and working with a supply chain of suppliers to deliver an end product.

Bond agrees that law firms are fundamentally changing: "I think the difference between law firms and other businesses is becoming less pronounced. There will always be a difference, but the distinction is less clear, and that's one of the things that's achieving that effect."

And a noteworthy way in which law firms are changing is by becoming more like consultants, offering consulting or non-legal 'products' to clients to bulk out client value. Pinsent Masons has been doing a lot of this – most visibly through its now famous OUT-LAW IP news service, and award-winningly in the guise of HR Network TV, an online multimedia knowledge base for corporate HR people (it won the *Legal Week* Law Firm Innovation Award in December 2010 for that).

HR Network TV "has opened a lot of doors" for the firm, Bond says. "We don't sell [the content] to clients, we give it to them, but of course it gets our foot in the door, and they naturally come back and want to talk to one of our employment lawyers in more detail about some of the things they've seen."

Bond has a hand in HR Network TV, as a guinea pig for the material and in advising Pinsent Masons' employment lawyers on what people in his position want to know. But

"The legal world has changed a lot and will carry on changing, partly because the recession has prompted a long-term structural change. There's no bounce back to pre-recession approaches by clients or by firms – it's a long-term, structural change."

for the entire HR function. They do all the processing, all the documentation, offers, contracts, policies. It's a skilled and important job, but it's a 'behind the scenes' job, so you don't need to base that in your most expensive office in London. We've already reaped the benefits of bundling tasks together and putting them in a lower-cost location. And you need to be aware of the downsides of [going further than that] in terms of disruption, morale and the bad PR

started in HR shared services have gone on to become HR officers or even managers in the firm. Although that's not the reason we hired them into HR shared services, that's a valuable side effect of being part of my team. I'd miss that if we no longer had it within the organisation."

HR as business creator

This kind of rethinking the resourcing of a law firm is,

INTERVIEW JONATHAN BOND cont.

he's also getting involved in another great way for law firms to drive more value – his HR team is training client firms' HR people, for fees. This turns the back office function of HR into a fee-earning area, and creates the beginning of something that starts to look more like a consultancy.

"We've made a whole soft skills training programme for one of our big banking clients," Bond explains. We put all their lawyers through our academy, and our learning and development manager has run all this training for the client, and we've been paid for it. It's quite nice that the HR team has become a revenue generator (albeit in a small way) for the firm, and that it's also enhanced the client relationship at the same time."

Bond says he's also been advising one of Pinsent Masons' major clients on how to run a diversity programme. "I get that quite a bit, actually," he says. This can't be anything but good for the firm's bottom line, and proves, to me at least, that doing good is often very good for business.

The value of doing good

Pinsent Masons is also eating its own digital multimedia training dog food, as it were – the firm is using new technologies to deliver in-house training. "It's more interactive, the type of online learning that we're giving to people." For example, he implemented a diversity e-learning module for the whole firm that was a purely digital training pro-

gramme. But webinars are generally still supplementary to more traditional learning methods, he says.

Bond tips business coaching as a highly effective way to deliver better skills: "That's been very, very successful, because now partners see coaching as being a benefit rather than a punishment. It's helping them to be more effective in their role."

Business development may have been first because Bond has seen the value of a professionalised and developed BD team – "at my last law firm [Allen & Overy, where Bond spend 10 years], the BD was very professionalised and had some really strong people", he says. Perhaps it's because Bond comes from a non-legal background, and a highly commercial one. He worked in

ideas of doing good in the firm and doing the commercially sensible thing. Pinsent Masons' renowned diversity stance is a prime example – the firm has gained column inches and, Bond claims, employee talent by dint of its commitment to diversity.

"The issue of developing and retaining female talent is a strategic issue for law firms, and that aspect is part of our diversity programme. That shows you how important diversity is, because the future success of law firms is partly dependent on being more successful on retaining female talent and maximising it."

He admits that it's also about brand and firm values, but says these are all facets of the same thing: "There's no point having values unless you make absolutely sure that all your policies and systems and processes are aligned with them, that the firm is true to those values, and that behaviour which is in line with them is rewarded and behaviour which is contrary to those values is dealt with.

"If you're talking about respect and cooperation as a value, then people in any minority group need to feel that they're at the party, that they're not on the fringes, and that they're just as valuable as everyone else and they feel completely included."

And that attitude is as good for business as it is for the people in the business. ●

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**THE BOND ULTIMATUM**

"The issue of developing and retaining female talent is a strategic issue. The future success of law firms is partly dependent on being more successful on retaining female talent and maximising it."

Like many firms, Pinsent Masons runs an internal 'academy' to instil more business capability into lawyers and partners, and created a 'capability framework' for them, to help define their business and personal development. And it's extending this to back office staff – business development staff now have a framework, with the rest of business support getting theirs "over the summer", Bond says.

banking, ending up in corporate communications there, before finding his home in HR and, he says, "it's very helpful to have a more commercial and economic background". Whatever the reason behind the move, it's indicative of a wider shift in the legal sector to – finally – seeing business services people as just as vital to the firm's success as any other role.

It's also possibly why Bond is so capable of marrying the

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FEATURE



Training Generation Y

Polly Botsford looks at the challenges facing law firm HR in a more competitive, homogeneous and internationalised future – one that contains a very different kind of employee

‘Survival is the new success’ was the catchphrase of the recession. But this is 2011, and it’s not about survival now – it’s a tale of ‘familiar concerns, unfamiliar world’.

For HR in law firms, ‘familiar concerns’ has meant a refocusing of attention on learning and development. But in a more unfamiliar, uncertain world, any L&D strategy must factor in the challenges of the new market landscape: alternative business structures (ABSs), regulatory shifts (to outcomes-focused regulation), and much more legal process

outsourcing (LPO). And there’s one challenge that may overshadow all others: catering for the new generation of lawyers in this very ‘people’ business.

As the shadow of the recession has gradually moved off, learning and development has returned to prominence as firms look to future growth. In this year’s annual Corporate Issues Survey, the leadership trainer Blanchard reports that, instead of being cautious in their spending on training, firms have shown “a significant positive shift” in attitude towards L&D.

Law firms would seem to agree. Kevin Hogarth, global HR director of magic circle firm Freshfields Bruckhaus Deringer says: “We are not out of the woods completely, but we are starting to put the recession behind us.

“The broad HR agenda is more reminiscent of how it was before the downturn: how do we attract and retain the best people, and meet the demands of the business and our client, rather than ‘cost and efficiencies’, which was how it was from 2008 to now.”

And the firms have the

programmes in play to prove it. Freshfields is launching a ‘new leaders’ programme in June 2011 for its partners, co-developed between the firm and outside experts. Eversheds opened its Commercial Academy in September 2010, a programme that’s open to two-to-four-year PQEs, and carries five modules, including reports and accounts, marketing and business development.

It’s not just the international and magic circle firms that are gearing up again. Weightmans has introduced associate

Training Generation Y cont.

training days to mirror its trainee support offering, and it has started a partner leadership programme, new this year, based around three key elements: 'future, engage and deliver'. Sarah Littlemore, learning and development partner at the firm, says Weightmans needs a programme like this because "we need core skills and leadership skills from our future and existing partners, to get them to really concentrate on what makes a law firm successful".

more competitive legal market – because an understanding of the macro world, the clients' world, is as important as a lawyer's technical skills (and it appeals to the 'Dragon's Den' generation).

Not everyone is a fan of the idea. Ray O'Connor, learning and development manager at Addleshaw Goddard, says his firm has kept clear of this type of offering because the courses "can lack the business context, what we are doing, what our needs are".

"If you go off and do an

Lyn Cleaver, HR director at Clyde & Co, agrees that some courses can be too generic, too distant from the firm's specific needs. "We don't want our people going off on a theoretical bender," she says. Clyde & Co has a senior development centre, akin to a 'future leaders' programme, but, she says, "we want to keep it focused. Our lawyers prefer development to be hands-on and practical and we use providers who understand our culture".



busier". "In a recession, firms can't use the big levers, such as salary and promotion, to attract and retain people any more. Instead, they have to use smaller levers, such as personal development and training – so talent strategy has become a real focus."

The recession has also been the cause of considerable upheaval in learning and

development itself, as in all areas of a law firm – through budget cuts, changes in personnel and bringing more delivery in-house. As a result, even if there may be the same challenges for HR, such as how to recruit and keep people in a people-centric business, the content and form of L&D has changed.

"The recession caused us to change things," says O'Connor, "to change the way we deliver, to try out different things." Addleshaw Goddard even scrapped some of its off-the-shelf

courses he says. "We still offer support in an area where we no longer have specific training, but we deliver it in a different way – we've built it more into performance management." An example of this is time management – a course the firm gave up recently. "This is now a management issue rather than a 'time management' issue," he explains.

Legal MBA, anyone?

Leadership skills and training in general business acumen are central themes in many of these new initiatives. Eversheds is offering a mini-MBA through its Commercial Academy, covering areas such as micro and macroeconomics and basic supply and demand theory, and Simmons & Simmons gained column inches last year when the firm launched an MBA for trainees. A quick glance through the brochures of the various legal management courses available at colleges and law schools across the country tells a similar story.

An MBA is considered a personal development plus for firms that see it as a weapon to help them do battle in a

"The YouTube generation's motivations are different. They won't wait for training courses – they want the knowledge now."

Kevin Hogarth, global HR director, Freshfields Bruckhaus Deringer



MBA that makes little reference to the firm's strategy, that's not very useful," he says. Addleshaw Goddard does have a leadership development programme for senior managers, but it is written by the L&D team and its focus is on "transforming the individual and how they behave", because, O'Connor says, "we want to improve emotional intelligence".

Regardless of the content of these programmes, however, there is certainly a renewal of interest in them. But it's not just because the recession is receding a little that learning and development has burgeoned. Some firms say that the real change came at the height of the recession.

Lorraine Kilborn, head of talent at Eversheds, says the recession "actually made us

Training Generation Y cont.

L&D teams have also been compelled to become more collaborative – to deliver more training in-house and develop more programmes online by teaming up with IT, or to cross-fertilise with knowledge management. “There has been a shift in mind-set,”

O'Connor explains, “which is here to stay: How can we do things differently across the firm to improve service levels and reduce costs? Collaboration is key to that.”

There has certainly been a shift away from a ‘one size fits all’ approach to training, towards offering it where it is most needed. Kilborn says Eversheds has “moved away from a ‘sheep dip’ approach towards focusing on appropriate groups of people”.

Training the YouTube generation

Cost-effectiveness may also have been one of the drivers behind the renewed focus on e-learning, the use of which is on the increase in law firms. A recent pan-European business survey by the Cegos Group, an e-learning provider, found that the percentage of employees who have engaged in long-distance learning (including e-learning and virtual learning) now stands at 44%.

But there are other reasons than cost why e-learning is on this trajectory. Hogarth at Freshfields argues that e-learning is, in fact, fundamental to what he sees as the key challenge facing HR in law firms: changing demographics

components. “We are delivering knowledge in a way that is much easier to digest,” Hogarth explains. Freshfields has, for example, released “very short, to-the-point, 90-second videos on particular topics”, he says.

face training is still delivered to over 90% of staff. Indeed, there is a trend towards blended learning – combining digital with face-to-face training. E-learning, for example, provides a great refresher to classroom training.

“E-learning enhances our face-to-face seminars,” Hogarth says, “so that the benefits of those seminars are maximised. If our lawyers have done a session on providing feedback to a colleague, but then they do not have the occasion to do this for another three months or so, you can refresh them with a short e-learning tool”.

“There has been a shift in mind-set, which is here to stay: How can we do things differently across the firm to improve service levels and reduce costs? Collaboration is key to that.”

Ray O'Connor, learning and development manager, Addleshaw Goddard

New tools for new rules

So e-learning's appropriateness for Generation Y is a way of solving what Hogarth says is the greatest HR challenge – the generation gap. Bridging that gap is, he says, more important than the issue of ABSs and the arrival of an open and more competitive legal market from October 2011. Hogarth's view is in part

within the workforce.

“The characteristics of the people who are joining firms now are completely different. Their motivations are different, and part of that is that they want information available to them at their fingertips. The next generation – not so much Generation Y but the YouTube generation – is interested in the delivery of L&D in that way. They won't wait for training courses. They don't want to step out of the office into an off-site classroom. They want the knowledge immediately.”

E-learning can deliver precisely this. It empowers lawyers to individualise and control the time they spend training, and it can break up training into tailored

It is also fits much more usefully and effectively into the modern, mobile law firm worker's schedule – it's ‘just in time’ learning; it's about accessing training and information just before you need it – at its most literal, on a BlackBerry, just minutes before a meeting. It's perfect for the mobile phone generation, because it's not timetabled and it's learner-led.

But law firms are not giving up on classroom-based learning (as Jonathan Bond explains in our [feature interview](#)). The Cegos survey also shows that room-based, face-to-



[illegible]

Whatever the review produces, it will add another load to HR departments' shoulders, and another item to L&D's 'to do' list. ●