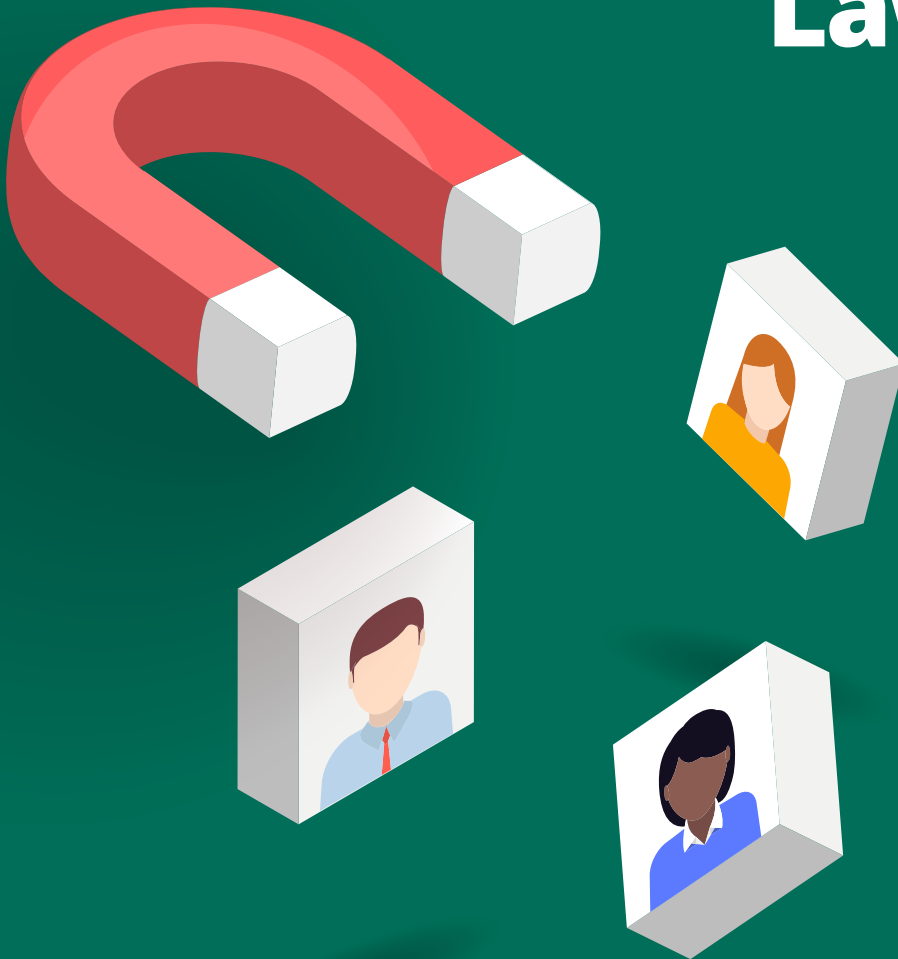


Guide to Retaining Talent in Smaller Law Firms



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Introduction

Smaller law firms form the backbone of Scotland's legal profession, offering deeply personal, community-focused services built on long-standing client relationships.

However, their size and structure shape the way they operate and the opportunities they can offer. With smaller teams and tighter resources, smaller firms face having to balance heavy workloads alongside day-to-day practice management. Remote working and digital connectivity have widened access to large, often city-based employers, while technology has also blurred boundaries around availability and working hours. These pressures can make recruitment and retention more complex, particularly where perceptions of smaller or rural practice do not always reflect the breadth, responsibility and professional development such roles can provide.

It is a practical reality that smaller firms cannot compete pound-for-pound with larger organisations on salary. Instead, they can focus on what smaller practices do exceptionally well: building supportive, engaging and meaningful working environments that make people want to stay, even when higher pay is available elsewhere.

Retaining good people is not only a cultural priority, but also a business imperative. A successful retention strategy must therefore be deliberate, cultural, practical and leadership led. This guide provides practical, and cost-effective strategies specifically designed for smaller firms.

The cost and impact of losing talent: Why it matters so much in smaller firms

In smaller firms, the loss of even one solicitor can have a disproportionate and long-lasting impact. Because client relationships are personal and teams are closely connected, departures affect not only finances but also client confidence, team morale, and cultural stability.

While recruitment may take only a few months, true replacement can take years; time is needed to rebuild knowledge, judgment, profitability, and client trust, particularly in firms where individuals hold broad responsibilities or long-standing relationships.

Rushed hiring under pressure can compound the problem, increasing the risk of poor cultural fit, skills gaps, and repeat turnover at significant cost. Client dissatisfaction or leakage may follow, workloads and stress rise for remaining staff, and morale can quickly erode and sometimes trigger further resignations.

Financially, the true cost of turnover is often underestimated, frequently reaching 1.5 to 2.5 times the role's salary once recruitment, lost productivity, and cultural disruption are considered. Together, these factors explain why retention matters so much more in smaller firms. Proactive planning, therefore, is essential.

Early warning signs of disengagement

Disengagement rarely happens all at once, it builds gradually through small, often subtle changes in behaviour that are easy to overlook. Early signs can include reduced output, avoidance of responsibility, less communication, rising mistakes or absence, and a general loss of initiative or confidence.

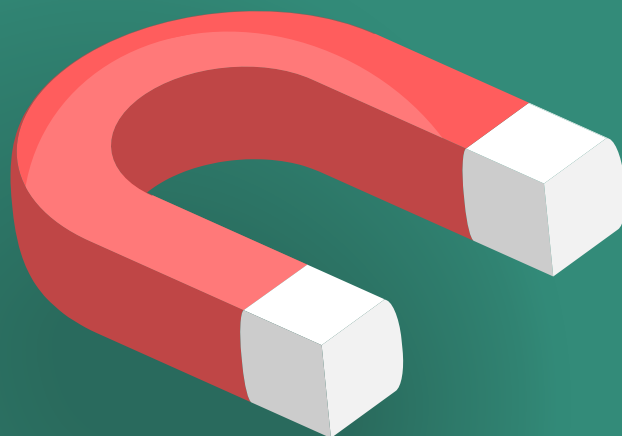
These behaviours often signal burnout, overwhelm, disengagement, or a lack of psychological safety rather than poor performance. Spotting and responding to these signals early, with supportive conversations and practical adjustments, can make a real difference and may prevent a resignation down the line.

Understanding the warning signs of disengagement is essential. The most effective retention strategy, then, is to stop disengagement from developing in the first place through intentional leadership, clear communication, meaningful development opportunities and a culture where people feel they belong.

How to prevent disengagement before it starts

The following sections outline practical, evidence-based actions that smaller firms can take to build environments where people feel motivated, supported and invested for the long term.

These strategies are not expensive or complex; they are cultural, behavioural and relational and because smaller firms are agile, close-knit and community-oriented, they are uniquely placed to implement them effectively.



1. Understand what your people value

Retention begins with knowing what truly matters to your people and not what you assume matters, or what you've seen in other firms, but what your team values as individuals and as a group.

The reasons why organisations have employee retention issues vary. It is important to acknowledge that salary is often a genuine and pressing reason people leave. Cost-of-living pressures and market competition mean that where firms cannot compete on financial remuneration, this can be a significant challenge. However, pay is rarely the only factor, and often not the primary one, behind disengagement or turnover. Employees are more likely to stay where they feel supported, valued, and able to see a future for themselves. Limited career progression, poor wellbeing, lack of support, or a negative work environment frequently play an equal or greater role.

Creating a culture people want to be part of fosters loyalty and engagement, meaning salary alone does not determine whether someone stays or goes. Rather than relying on a generic retention strategy, understanding the specific concerns and motivations of your own people is essential to addressing disengagement and improving retention effectively.

It is also important to look beyond your own organisation and perhaps consider other data sets such as the Society's [Profile of the Profession](#). After collecting your data, you can analyse trends and key themes. These can function as benchmarks to evaluate any progression.

When people feel that their priorities are recognised and reflected in the way they work, they engage more deeply, stay longer and contribute more meaningfully to the firm.

Your analysis can serve as the foundation for action and for all the other retention strategies that follow. Profiling your workforce enables a comprehensive assessment of potential risk points.

Understanding what your people value doesn't require a large HR function. It requires simple structures that create regular two-way conversations.

Where can you get the data?

- / Reports of employee turnover and stability rates
- / Surveys
- / Workforce information
- / Exit surveys and exit interviews
- / Conversations with existing employees
- / Performance measures
- / Customer feedback or engagement data

Examples

- / Annual anonymous survey: Keep it short (≤ 10 questions) to understand what matters to employees and share results transparently.
- / Stay interviews: Regular, proactive conversations (every six months) to learn why people stay and what might make them leave.
- / Career non-negotiables: Ask what employees need to stay motivated and engaged; in smaller firms, leaders can often act quickly on these.

2. Creating a culture people want to be part of

Culture: the cornerstone of retention

Research and retention studies consistently show that people rarely leave because of a single factor like pay, location, or workload alone. Departures usually happen when a combination of unmet needs accumulates over time.

Culture, therefore, is a powerful retention lever available to smaller firms and often the least expensive to improve. In smaller firms, culture is highly visible, personal and immediate.

People don't experience "the firm" as an abstract idea; they experience the behaviour of leaders, the tone of communication, and the daily interactions with colleagues.

When the culture feels supportive, fair, transparent and connected, people stay. When it doesn't, disengagement grows quickly.

Culture is created by the behaviours you tolerate, encourage, and model – not by posters or slogans.

Strong workplace culture strengthens wellbeing and resilience, boosts performance and loyalty, lowers turnover, and simplifies recruitment.



Key Cultural Elements

1. Psychological safety

In smaller teams, the ability to say “I’m not sure”, “I need help”, or “I made a mistake” is essential. Without it, there can be an environment of rising stress in which mistakes are hidden, work quality declines, junior lawyers disengage, and senior lawyers therefore become overwhelmed.

In smaller firms, psychological safety must be modelled by leaders, who can remove fear by being open, approachable, and consistent. Psychological safety is especially important in the legal profession because the culture of the profession traditionally rewards certainty and perfectionism, both of which are incompatible with learning.

2. Respect across generations

Smaller firms often have a mix of trainees and newly qualified lawyers, mid-level associates and senior partners with 20–40 years of experience. This mix is a strength, but only if each group feels respected.

Common friction points often arise from differences in communication styles, assumptions about work ethic, varying expectations around flexibility, gaps in confidence with technology, and differing preferences for feedback.

A strong culture encourages curiosity about differences, reverse mentoring (e.g. digital skills from junior colleagues, knowledge-sharing from those in more senior positions), and active listening across experience levels.

Respect reduces conflict, strengthens collaboration, and builds stability.

3. Transparency from leadership about firm performance and direction

In smaller firms, silence from leadership breeds anxiety. When people don't know what's happening behind the scenes they fill the gaps, usually with worry. This doesn't require revealing confidential financials, but rather regular, honest updates.

Transparency builds trust and reduces disengagement because staff understand how the firm is performing, what their and the firm's future looks like, what opportunities might emerge for them and the firm, and how their work contributes to the bigger picture.

4. Inclusive decision-making: giving staff a voice in how the firm operates

Smaller firms often have a unique advantage: decisions can be made quickly, and staff input can be incorporated more easily than in larger organisations.

When people feel they have a voice, they feel ownership. Inclusivity turns "the firm" into "our firm," strengthening loyalty and reducing turnover.

Actions you can take immediately

These practical steps require little or no financial investment but strengthen culture and retention.

- / Shifting to a no-blame feedback culture helps people feel psychologically safe, supported, and more likely to stay.
- / Regular open discussions with partners create transparency, reduce uncertainty, and encourage two-way communication, which builds trust and engagement.
- / Peer-led knowledge-sharing sessions foster collaboration, confidence, and connection across levels while supporting development and reducing silos.
- / Publicly celebrating small wins, recognising effort as well as outcome, builds pride, momentum, and loyalty.

Together, these practical steps deliver meaningful cultural impact without requiring significant financial investment.

3. Learning and development

Improving learning and development is a very effective but often overlooked retention tool. Lawyers stay where they feel they are growing, progressing and supported to build their long-term career.

For smaller practices, a major competitive advantage is that development can be personal, hands-on, and integrated into day-to-day work. Unlike larger firms, where training may feel generic or disconnected, smaller firms can tailor development to the individual, creating a culture of continuous learning that boosts both engagement and retention.

Learning and development steps a smaller firm can adopt quickly

1. Introduce quarterly development catch-ups about strengths, goals, skills, opportunities for responsibility, concerns about progression.

2. Build a 12-month learning calendar: Rotate essential skills themes monthly or quarterly.

3. Assign every lawyer a mentor: Pair senior expertise with junior motivation.

4. Use real work as training, e.g. shadowing, co-drafting, joint client calls.

5. Provide early opportunities for leadership, e.g. project leadership, knowledge-sharing sessions, client handling.

6. Celebrate development milestones: Acknowledge growth, not just performance.

4. Strengthen leadership and supervisory capability

Leadership and supervision are fundamental to the success of a retention strategy. In smaller practices, the behaviour of partners, directors, senior associates and supervisors directly shapes culture, confidence, performance, and job satisfaction.

In fact, poor supervision is one of the top three reasons early- and mid-career lawyers leave smaller firms. Not because the work is too difficult, but because the experience of being supervised feels unclear, unsupported, inconsistent, or overwhelming. The good news is that smaller firms can fix this quickly by building leadership capability intentionally and consistently.

Smaller-firm challenges

In smaller firms, supervisors are often juggling client work, deadlines, and team oversight, often without formal leadership training, which can make giving consistent feedback and development challenging.

Smaller teams can leave lawyers feeling isolated, with limited peer support and reduced psychological safety, increasing the risk of disengagement – especially for trainees, newly qualified solicitors, and recent joiners.

Effective supervision

Supervision doesn't need to be time-consuming or complex; what staff need most is clarity, consistency, feedback, and support. There are several high-impact actions that smaller firms can take to provide this effectively, including:

1. Provide role-specific leadership training for partners, senior associates and new supervisors

Leadership competence looks different at each stage. Tailored training helps each group develop the skills they need to supervise effectively.

Role	Focus Areas
Partners/ Directors	<ul style="list-style-type: none">/ Leading culture/ Handling conflict/ Navigating firm-wide change/ Driving psychological safety/ Modelling values/ Coaching emerging leaders
Senior Associates	<ul style="list-style-type: none">/ Delegation without micromanaging/ Giving structured feedback/ Supervising peers respectfully/ Measuring performance early/ Managing client relationships independently
New Supervisors/ Associates	<ul style="list-style-type: none">/ Managing expectations/ Asking coaching questions/ Creating clarity for juniors/ Supporting trainee learning/ Building confidence in leadership identity

2. Encourage leaders to use coaching-style conversations over directive ones

In smaller firms, coaching-style leadership is especially powerful because it builds confidence, reduces mistakes, accelerates development, empowers junior lawyers, fosters self-sufficient teams, and allows supervisors to step back from micromanagement.

Directive leadership (“do this”, “fix that”) delivers tasks. Coaching leadership (“what’s your thinking on this?”, “what options do you see?”) builds capability. Most importantly, it helps people feel seen and supported.

3. Implement consistent supervision check-ins

Smaller firms can dramatically improve retention by introducing predictable, rhythmic check-ins:

Type	Purpose	Format
✓ Weekly check-ins for trainees	✓ Clarify expectations ✓ Manage workload ✓ Reinforce learning ✓ Address mistakes early ✓ Reduce overwhelm	✓ 15–20 minutes ✓ Standing agenda (workload, priorities, questions, learning moments)
✓ Fortnightly check-ins for associates	✓ Review cases and risks ✓ Explore development goals ✓ Address challenges ✓ Ensure workload balance ✓ Strengthen confidence	✓ 20–30 minutes ✓ Focus on autonomy, judgement and skill progression
✓ Monthly check-ins for senior associates	✓ Leadership development ✓ Influence and culture ✓ Client strategy ✓ Supervisory challenges ✓ Alignment with firm goals	✓ 45–60 minutes ✓ Peer-style dialogue on culture and operations ✓ Review high-level strategy and client relationship management ✓ Progress toward partnership or specialised leadership roles

4. Build leadership behaviours into progression pathways

Often in many smaller firms, progression and promotion are tied almost exclusively to professional performance, which can leave leadership and supervisory skills undervalued. Progression should also be linked to leadership behaviours, such as giving timely and constructive feedback, delegating effectively, supporting team wellbeing, fostering psychological safety, and encouraging the development of others. This sends a clear message about what good leadership looks like.

This approach also helps ensure supervisors take their responsibilities seriously, behave consistently, and actively contribute to a positive culture. It motivates junior staff, who then see that support, mentorship, and holistic leadership are recognised and rewarded, not just fee-earning performance. Over time, embedding these behaviours into progression pathways strengthens both the firm's culture and its long-term retention, creating an environment where people feel supported, valued, and motivated to grow.



5. Building clear career pathways (even with limited hierarchy)

One of the biggest myths in smaller firms is that limited hierarchy means limited career opportunities. In reality, lawyers rarely leave smaller practices because there aren't enough promotions, they leave because they cannot see a clear future for themselves.

Career pathways are not just about titles; they are about growth, responsibility, recognition, and a tangible sense of forward momentum.

Smaller firms are uniquely positioned to make progression more personalised, flexible, and meaningful than in larger organisations, particularly when expectations and opportunities are made explicit and consistent. Clear, visible pathways give lawyers a sense of direction and purpose.

On the following pages are practical ways smaller practices can build progression pathways that keep talented lawyers engaged, motivated, and committed for the long term.

Smaller firms may not always be able to offer large salary jumps, but to keep career pathways credible, they must be transparent about stipends, performance bonuses, or salary adjustments tied to specific milestones.

Define skill-based milestones rather than title-based ones

Career growth can be measured by skills and responsibilities, not only titles. For example, managing matters independently, leading client meetings, supervising trainees, presenting to partners, applying commercial awareness, and taking ownership of client relationships.

Introduce Associate+, Senior Associate and Team Lead responsibilities (even without promotions)

Responsibility, visibility and recognition can often matter more than titles. These roles offer development without requiring structural promotion and they provide meaningful career anchors that help lawyers stay engaged.

Smaller firms can introduce progression steps without changing the formal structure, for example:

Associate+ (typically 2–4 PQE)	Senior Associate (often 5–8 PQE or based on capability)	Team Lead (for those ready for leadership responsibilities)
<ul style="list-style-type: none">/ Increased autonomy/ Supervising trainees on simple matters/ Running routine client communications/ Leading small projects	<ul style="list-style-type: none">/ Supervising NQs and associates/ Leading complex files/ Driving client relationships/ Contributing to business development/ Representing the firm externally	<ul style="list-style-type: none">/ Overseeing a practice area/ Managing workflows/ Building team capability/ Supporting quality assurance/ Running internal knowledge sessions

Smaller firms should acknowledge that roles like Senior Associate or Team Lead carry distinct value and while a salary hike can't always be immediate, remuneration should align, where possible, with added responsibility.

Provide opportunities to lead projects, client relationships or internal initiatives

Career progression can come from taking on new responsibilities that build skills and confidence. For example, leading client relationships, creating new processes, running working groups, managing projects, or training and mentoring juniors.

Make partnership criteria transparent, realistic and discussed early

Partnership conversations should clearly outline the skills, behaviours, contributions, timelines, role-specific pathways, and alternative options.

Criteria should be written down, clear, discussed annually, and applied consistently because clarity reduces disillusionment and motivates staff, even for those who may never pursue partnership.

6. Offer realistic work-life balance

Achieving a good work-life balance goes a long way toward improving retention. In reality, it is rarely simple or straightforward; lawyers are working extremely hard to meet client demands, there are fee-earning pressures, and the realities of running the business mean the work ultimately must get done. Offering work-life balance therefore requires creative thinking, and even if a firm cannot do everything, taking meaningful steps is far better than doing nothing.

The goal is not a perfect balance, but a sustainable way of working where high performance can be maintained without chronic burnout, and where people feel trusted and supported as whole individuals. Smaller firms are often well placed to improve this because culture, workload, and flexibility can be shaped quickly and personally.

Retention-friendly approaches include genuinely supporting flexible working (in hours, patterns, and location), managing workloads more realistically through visibility and planning, and normalising the use of annual leave. Low-cost wellbeing initiatives, such as legal-specific webinars, protected breaks, and signposting to support resources, can also make a meaningful difference.

Just as important are everyday practices: encouraging open conversations about capacity, reducing “invisible work” like after-hours emails, using technology, where possible, to ease pressure, protecting focus time, and ensuring partners model healthy boundaries themselves.

When balance is respected and visibly and genuinely supported, staff feel valued, energised, and far more likely to stay long term.

Accepting that attrition will happen – and managing it well

Even the healthiest and most supportive smaller firms will experience attrition. Careers evolve, personal circumstances change, and some lawyers will move on despite strong culture, development, and fair rewards. Attrition is not always a failure, but being unprepared for it creates real risk. The aim is not to eliminate turnover entirely, but to reduce unnecessary departures, retain key people for longer, and limit disruption when someone does leave.

Resilient smaller firms plan for movement rather than reacting in crisis mode. Practical risk-mitigation steps include building continuity into key client relationships so knowledge and trust are not held by one individual, and putting simple but robust knowledge-transfer processes in place to reduce the hidden costs of departures.

Regular “stay interviews” help surface concerns early and prevent surprise resignations, while strong onboarding, especially in the first 90 days, sets expectations, builds connection, and significantly improves long-term retention. Together, these measures protect clients, culture, and continuity, even when attrition is unavoidable.

Final reflection

Retaining talent in your firm is not about competing pound-for-pound with larger firms. Your competitive advantage is your culture, flexibility, and ability to treat people as individuals.

By understanding what your people value, building psychologically safe environments, strengthening supervision, offering realistic flexibility, and planning for inevitable change, your firm can create a workplace where people want to stay – and where departures, when they happen, are managed with confidence and care.



About the author

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Chief Executive, Professional Training

Professional Training founder, Nadine Stanton entered the legal profession at Nottingham Law School in 1992 and undertook her training contract at Lester Aldridge solicitors. Once qualified, she moved to Eversheds where she practised as a corporate lawyer. Nadine remained in the law for a number of years, where she specialised in mergers and acquisitions. Her passion for training was born whilst organising and running training sessions both in-house and for clients. Nadine then worked as Head of Training for a large legal training organisation before starting her own company.



Professional Training specialises in essential skills training, leadership development and coaching for lawyers, by lawyers. We understand the demands placed on lawyers and business services professionals because we've been there.

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