The young ones

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#### The next generation of lawyers is demanding a workplace revolution: Are you ready? Freny Patel reports

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eflecting on his early days, a seasoned Supreme Court advocate from New Delhi reminisces with a hint of nostalgia about how lawyers used to truly master their craft before narrowing their focus. He expresses concern for the younger wave of lawyers, who seem to dive headfirst into the latest trends and specialise right out of the gate.

"It's turning into a world where they chase after work-life balance but don't pause to think about where they'll be in the next five to 10 years," he laments.

Today's early-career lawyers distinguish themselves not just by ambition but by how they shape their identities. Unlike previous generations, their value isn't tied only to their careers.

With reduced financial pressure, they embrace risks and seek collaborative environments that align with their values, even as they navigate the intricate and ever-shifting legal terrain. The unpredictable financial climate adds to their challenges, raising doubts about career futures. Clients often favour established legal dynasties, and partners can sweep away entire teams with a mere change of firms, much like the Pied Piper.

Fresh graduates find themselves adrift in a turbulent sea of uncertainty. It's no surprise that many of these eager newcomers jump at opportunities when the going gets tough.

### **High attrition**

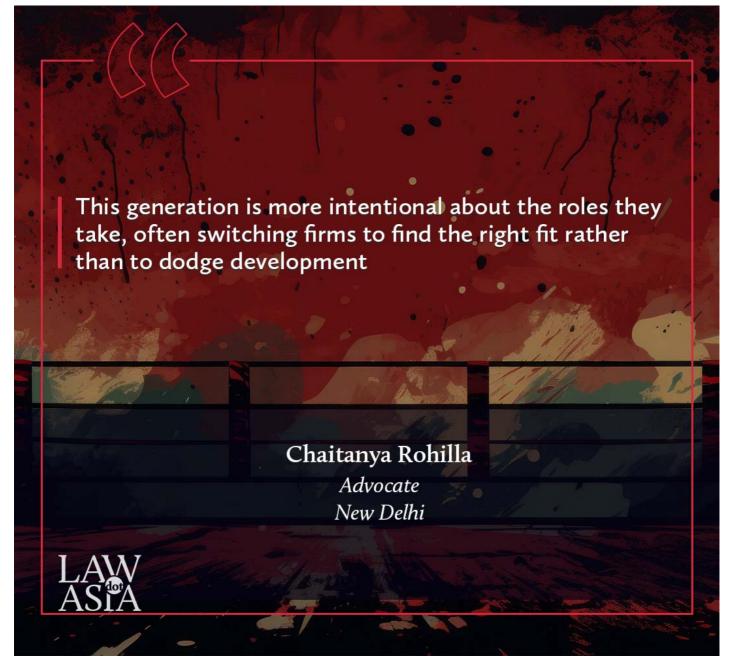
The legal sector has faced a bit of a pickle in recent years, as retaining young talent involves more twists and turns than a courtroom drama. This issue, often overshadowed by the latest legal trends, could significantly impact the future stability and growth of law firms in India, and across Asia.

Following the pandemic, law firms experienced a notable rise in attrition rates with figures climbing to about 33%. The surge can be attributed to younger lawyers "reassessing life choices, as they were disoriented by the work-from-home culture," notes Sridhar Gorthi, founding partner at Trilegal, adding that his firm witnessed a similar trend.

The reasons Gorthi cites are diverse, including the "Great Resignation" (a global trend that began in the US in 2020, and impacted India as a significant number of Indian employees voluntarily resigned from their jobs due to various factors triggered by the covid-19 pandemic), a lack of connection due to remote working, a desire to pursue further education, and even mental health issues.

Gone are the days when tirelessly burning the midnight oil, following every order, and climbing the hierarchical ladder were the sure way to become a partner at a prestigious law firm.

Younger lawyers today have a fresh perspective, says Chaitanya Rohilla, a New Delhi-based advocate specialising in civil, commercial and data privacy laws. "They are clear about their potential value and believe in receiving fair compensation and respect in return," he explains.



It's not about a lack of loyalty, but rather an understanding that loyalty should be a two-way street. "Firms need to recognise that dedication today is about more than longevity; it's about creating an environment where talent feels valued and respected," he points out.

Established law firms might grumble, but what choice do they have? The younger generation desires more flexibility. The question is whether traditional law firms are willing to bend like a well-drafted contract.

"Traditional law firms will need to be more agile and flexible to cater to a generation of younger lawyers who are more discerning and demanding of their workplace environment," says a second New Delhi-based lawyer wanting to remain anonymous, curiously like several seasoned lawyers that *India Business Law Journal* interviewed. After over two decades in various law firms, he founded his own specialised practice, having faced numerous legal battles.

Nisha Kaur Uberoi, partner and chair competition law at JSA, says: "Culture and collaboration are key to ensuring retention of talent - when talent moves, it is usually to a place where the culture and collaboration interface co-exists with inclusivity."

Nishith Desai, founder of Nishith Desai Associates, believes "mentorship, balanced workloads and a culture of continuous learning should become priorities over billable hours alone."

"Law firms that invest in mentorship and adopt a nurturing environment will find it easier to retain talented individuals committed to their firms," he explains.

Younger lawyers are also "less tolerant of what they perceive as a toxic work environment", says Bagmisikha Puhan, managing partner at Puhan and Puhan.

They prioritise not just work-life balance but also freedom. "They want the liberty to say no," she says. "They don't want to be at the beck and call of reporting managers; or clients, for that matter." Based in New Delhi, she specialises in technology, data privacy and healthcare, and recently set up her own law firm.

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# Nisha Kaur Uberoi

Partner and Chair Competition Law JSA



# **Financial woes**

Money has become a pivotal issue recently, particularly noted among Supreme Court judges. In early November, Chief Justice Sanjiv Khanna expressed concern over the significant loss of young talent in litigation. He stressed the necessity for better financial and social security, advocating a minimum remuneration standard to help new lawyers during their formative years.

"The exodus of young talent from litigation practice is not merely about personal choice, but rather it is symptomatic of structural issues such as meagre financial and social security in the profession, especially for first-generation lawyers," Judge Khanna said. He also criticised senior lawyers for not guiding newcomers toward public interest work.

Law schools play a crucial role in this landscape. Khushboo Luthra, founder of MetPro Advisors, points to stark salary discrepancies driving lawyers, both young and experienced, to switch firms. "The biggest reason lawyers move firms, young and experienced alike, is the massive salary gap" between Tier 1 and lower-tier firms, she notes, highlighting a relentless ambition to ascend the "salary ladder".

The commercialsation of legal education has further complicated matters. Krrishan Singhania, founder of K Singhania & Co in Mumbai, remarks that as schools shift their focus toward profit, they often neglect the holistic development of future lawyers. Graduates can emerge with a skewed perception of success, primarily valuing billable hours.

Intensifying the urgency for financial stability, increasing legal education costs burden many young lawyers with substantial student debt, says Singhania. With tuition fees soaring, graduates often carry debts exceeding INR500,000 (USD5,900), which compels them to seek high-paying jobs immediately, he explains.

The salary gap between Tier 1 firms and smaller chambers is striking. While top firms offer packages starting at INR1.5 million per month, smaller firms can only manage around INR50,000 to INR60,000, making competition for talent fierce.

Luthra says it is imperative for law schools to manage expectations by illustrating the full spectrum of salary opportunities across different firm tiers.

A qualified lawyer turned visionary entrepreneur, Luthra left the legal fold to establish her advisory firm, with the intent to attract top-tier professionals and deliver exceptional services.

But "unrealistic expectations" fostered by these institutions demand urgent attention, she says. "There's a growing call for law schools to offer a balanced view of career paths and salary expectations across different firm tiers, helping students better navigate the realities of the job market."

As young legal professionals increasingly choose corporate in-house counsel positions over law firms, or leave the legal field altogether for management careers, this shift raises serious concerns for the future of the legal profession, says Judge Khanna, raising the poignant question: "Who will represent common citizens in the future?"

# Loyalty v mobility

The epitome of the changing face of commitment among the legal fraternity is, as some senior advocates identify it, "loyalty versus mobility in the legal profession".

Puhan highlights how the older generation of lawyers were self-motivated and looked for interesting things, keen to take up their own initiatives. They had fewer options and were more willing to invest time and effort in building new practices. In contrast, the younger generation is reluctant to commit long hours to any single role, making it difficult to build something from the ground up.

"It's noteworthy that this generation has witnessed competition and scarcity like never before, so of course self-preservation will kick in, and they are bound to prioritise themselves," says Puhan.

There are two sides to a coin, and the legal community is no different. The older generation of lawyers believes the profession requires "rigid loyalty", and think of themselves as the legal equivalent of marathon runners, always in the same race, always on the same track.

Younger lawyers view "career mobility" as an all-you-can-eat buffet, eager to explore different niches. In the early stages, they jump between firms, collecting experience and business cards. It's not a lack of commitment; they're just sampling destinations before choosing a place to settle.

In a nutshell, while the older generation's motto might be "stick to it", the younger crowd's warcry could be "find it". Both approaches have their charm. It just depends on how you like your legal journey – a steady marathon or an adventure tour.

"In today's specialised legal environment, this exploration phase is essential for lawyers to understand their strengths and interests, and there is nothing wrong with that," says Rohilla with a knowing smile. "If anything, firms should view this as a healthy development stage, rather than a lack of commitment."

Trilegal allows some flexibility in practice area preference during recruitment but doesn't cater to very specific requests, says Gorthi. "Young associates may not have enough experience to make informed choices about specialisation," he adds.

If only loyalty and discipline were synonymous with the work ethic. You can dedicate your entire career to one firm and still end up being deadwood, missing both client connections and market recognition.

It is a complex issue, but there's definitely a story worth telling.

"Mid-level younger partners, struggling to build a book of business in an increasingly saturated market, tend to switch firms every three years once their struggles become evident and the new firm can no longer support them," the Delhi-based lawyer points out.

Meanwhile, more senior partners who have built substantial client relationships grow weary of family-run or unprofessionally managed firms with opaque and often inequitable equity structures, he says.

Luthra categorises law firm partners into two groups: hunters and farmers. Hunters, or rainmakers, excel at attracting clients, often switching firms for better opportunities due to their business-generating skills.

In contrast, farmers are content in stable firms, focused on executing tasks from managing and senior partners, benefiting from a reliable client base and steady salary.

"Boutique firms established by experienced lawyers can also be a destination for rainmakers seeking greater financial gain and autonomy," says Luthra.

In the end, it's a game of musical chairs for everyone involved – and nobody wants to be left standing when the music stops.

#### No one size

Law firms are starting to realise that one-size-fits-all approaches don't cut it anymore. Firms that see loyalty as a two-way street are adapting by offering "structured mentorship, work-life balance and clearer career paths", says Rohilla.

Desai agrees, saying that mentorship, balanced workloads and a culture of continuous learning should become priorities over billable hours alone. Law firms that invest in mentorship and adopt a nurturing environment will find it easier to retain talented individuals who are committed to their firms.

Young lawyers thrive in environments where they feel valued and motivated, rather than just being part of a legal assembly line. Firms that prioritise a balanced, respectful relationship with their employees successfully retain talent, as satisfied lawyers are less likely to leave.

According to Rohilla, younger attorneys place a higher value on collaboration and mutual respect than on the old-school focus of seniority for recognition, which is more common among their more seasoned peers.

The "revolving door" of talent in law firms can be disruptive, but it also serves as a wake-up call, says Rohilla. "If firms don't adapt, they risk losing talented lawyers to organisations that value their contributions." This prompts firms to ensure meaningful growth and fair treatment. By rising to this challenge, the turnover can significantly decrease, he adds.

Puhan agrees there is a pressing need for firms to adapt to these changing expectations, particularly as "many candidates enter negotiations with one foot out the door, seeking work-from-home options even before accepting a position".

The pandemic significantly accelerated the trend of remote work, prompting many to reconsider the value of long commutes. "An hour in traffic is not worth it if we can spend that time at home with family, pursuing passions," says a young lawyer who has just joined a Tier 1 law firm.

This change has sparked a "jumping ship" mentality in the legal field, indicating a shift in how careers are developed. Young lawyers are approaching their professional journeys with a spirit of adventure, seeing firm changes as just another part of their exploration.

Additionally, many young lawyers are embracing the idea of taking sabbaticals without feeling compelled to justify any career gaps. Whether this transformation proves to be a positive or negative development remains to be seen, as Puhan points out.

"Younger lawyers are more willing to explore different career paths, including working abroad, joining startups, taking in-house roles or changing their careers altogether," says Kumar Saurabh Singh, a Mumbai-based partner in banking & finance at Khaitan & Co, pointing out the shifting priorities of the younger generation.

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> Kumar Saurabh Singh Partner Khaitan & Co

This may be partly due to a more secure financial background compared to previous generations, says Kumar. The younger generation is more exploratory and risk-taking at the cost of leaving secured jobs, he adds.

## Workplace revolution

As young lawyers seek environments that align with their values – such as flexibility, inclusivity and opportunities for growth – they challenge the status quo of a profession that has not always adapted to their needs, Singhania notes.

The evolving attitude of young lawyers necessitates a change in the workplace environment. The question is whether law firms are ready.

Social media and awareness of issues plaguing other sectors have a great deal of influence on this generation. There is less stigma attached to leaving a job, and many want to explore various options before settling on a path, says Puhan. "Many younger lawyers are now exploring diverse opportunities, including consultancy and legal journalism, which align better with their lifestyle preferences and working styles," she says.

Like many of its counterparts, Trilegal has implemented several measures to curb attrition. One key initiative Gorthi highlights is a programme that allows qualified associates who go abroad for their masters degrees, to return without a break in seniority. "Many of the young lawyers returned to the firm," he notes.

In addition to increased remuneration and transparent compensation rules, Trilegal introduced business tracking mechanisms "to identify and ease the burden of overworked associates", says Gorthi. The law firm also offers wellness initiatives, such as mental health counselling, to support their team.

Having adopted these measures, Trilegal's attrition rate has fallen to under 20%, which is comparable to the global average of 18% but low compared to most Indian law firms. "A significant portion of early-career attrition is due to individuals realising law isn't for them, or wanting to pursue in-house or litigation roles," Gorthi adds.

There was a temporary trend of Indian lawyers moving to overseas firms in 2022-2023, due to the explosion of workflow and overseas firms finding themselves short of talent. Gorthi notes: "It was easy for them to pick trained associates from Indian law firms – particularly in funds, banking and finance. This demand seems to have cooled off, and hiring from Indian firms is less prominent."

The abundance of career options has definitely changed the approach towards a professional mindset. "Being a rolling stone is actually valued higher than the ironclad stability that was treasured in older generations," says Puhan.

While frequent job moves might initially limit deep expertise, they offer young lawyers a broader perspective that can subsequently become a valuable asset. "This generation is more intentional about the roles they take, often switching firms to find the right fit rather than to dodge development," says Rohilla.

Over time, this deliberate approach helps lawyers hone their strengths, ultimately benefiting the profession. Think of it as collecting puzzle pieces to complete a masterpiece, rather than painting by numbers.

Singhania highlights that the current attrition cycle may harm a firm's reputation, making it harder to attract top talent seeking stability. He suggests law firms revise HR policies to promote stability, offer growth opportunities, and ensure fair pay to retain skilled employees. Law firms are struggling to find and keep quality candidates. As attrition rates soar, resembling trends in the tech sector, Puhan notes: "Many law firms are now willing to negotiate work arrangements to attract talent, even among younger colleagues."

Given the current challenges, law firms must also develop the art of "continuum project management", where work seamlessly progresses even as individuals transition in and out.

That is what Desai's law firm, Nishith Desai Associates, has done. It has introduced NAIDA, a private ChatGPT-based platform that leverages the knowledge and experience of both current and former team members through past email exchanges and other communications.

"This allows us to harness a wealth of institutional knowledge, enabling continuity even when people transition," Desai explains. Far from replacing lawyers, AI enhances their capabilities – replacing only those who don't embrace it, or fail to create added value for clients. Law firms that invest in mentorship and adopt a nurturing environment will find it easier to retain talented individuals

> **Nishith Desai** Founder Nishith Desai Associates



With AI and blockchain, the profession must adapt to stay relevant, Desai explains. AI will automate routine tasks, while blockchain and self-executing contracts will redefine transactional law. Firms that invest in their people will see better retention, productivity and loyalty in the long term.

Industries like tech and consulting have proven that clear growth paths, competitive benefits and innovative work environments help retain talent. Law firms can borrow this strategy by prioritising transparent career development and performance-based rewards to meet the expectations of younger lawyers.

While these changes set a strong foundation, Rohilla points out: "The finer details of talent retention in law might be best left to human resources, especially as young lawyers' expectations continue to evolve."

Desai also advocates the need for a cultural shift where, ideally, law firms should provide meaningful work with leaner teams and more flexible timelines. This approach not only reduces the hyper-commercialisation mindset, but also alleviates stress and promotes a happier, more productive environment.

By focusing on retaining young talent, the legal industry can effectively reduce turnover and pave the way for a more dynamic and resilient future. While this crisis poses significant challenges, it also offers a unique opportunity for impactful, positive change.

