

TRACUMENT SOLUTIONS INC.



2024 LEGAL SURVEY REPORT



2024

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ABOUT TRACUMENT SOLUTIONS INC

Established in Vancouver in 2013, Tracument offers a web-based suite of solutions tailored to assist legal professionals in managing secure document transmission and collection efficiently.

Amidst growing concerns regarding compliance with security standards and client confidentiality, our platform allows professionals to update inefficient legacy systems and methods of delivery, such as fax, mail, and couriers.

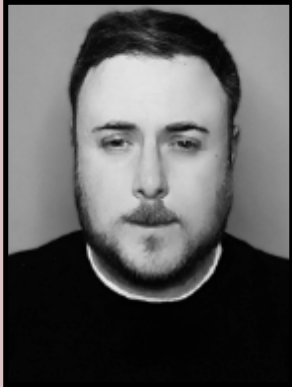
Moreover, the legal sector is susceptible to human errors and consumes substantial non-revenue generating staff time. **Tracument** streamlines and automates these processes, providing firms with enhanced control and oversight.

Our platform leverages automation, outsourcing, and centralization to significantly improve your firm's operations.

Traditional methods of document exchange within law firms often lag behind advancements in other industries. Tracument aims to bridge this gap by providing innovative leadership and expertise.



OUR TEAM



David is the CEO and Managing Director of Tracument Solutions Inc. and one of its founders.

He previously ran an Insurance Defence law firm in Vancouver, BC. During that time, his focus was on reducing non-revenue producing staff time and ensuring that all activities undertaken by any level of staff added as much value as possible. He brought in new technology and redesigned processes such that the firm was able to move from a support staff ratio of 1.5 for every lawyer to about 0.75 for every lawyer.

Tracument's platform is an extension of that work.

David Swadden

DAVID SWADDEN
CEO & FOUNDER



Heidi has a background in both Economics and Business Administration & Management.

She is responsible for day-to-day operations at Tracument and specialises in process improvements, human resources, and program efficiencies.

Heidi joined Tracument in 2017 and has worked in almost every aspect of the company, making her an excellent resource for staff and clients alike.

Heidi Fagalde

HEIDI FAGALDE
OPERATIONS MANAGER

OUR TEAM



As the company's Director of Client Operations, Linda came to Tracument experienced in both data management software and client services.

She is responsible for planning and managing client projects, and building client confidence. She oversees all aspects of client interaction and leads a strong team in concert with web development to ensure client expectations are met.

Her experience at companies like Primafact, coupled with her aptitude for communication with clients allows her to easily recognize areas for growth.

Linda Simpson

LINDA SIMPSON

**DIRECTOR OF CLIENT
OPERATIONS**



Bibi has a deep understanding of the effectiveness of communication, and is responsible for creating engaging social media content that showcases Tracument's platform, community, and team.

With a keen eye for detail and a knack for storytelling, her strategic approach ensures that our company's online presence remains vibrant, informative and resonant.

Bibi's ability to seamlessly integrate the technological and communicative realms is a driving force behind effectively translating complex technical concepts into relatable content.

Bibi Siew

BIBI SIEW

**MARKETING
& COMMUNICATIONS**

INDUSTRY BASICS

In 2024, the Canadian legal profession remains a dynamic landscape shaped by both traditional principles and contemporary advancements. Understanding the industry basics is essential for practitioners navigating its complexities.

Professional conduct and ethics are paramount in the Canadian legal profession. Lawyers are bound by codes of conduct that mandate integrity, confidentiality, and loyalty to clients. Moreover, continuing education and professional development are integral to maintaining high standards of competence and staying abreast of legal developments.

Technology plays a significant role in shaping the practice of law in Canada. From digital research tools to virtual court proceedings, technology has streamlined processes, enhanced efficiency, and expanded access to legal services.

Furthermore, diversity, equity, and inclusion are central considerations in the modern Canadian legal profession. Efforts to promote diversity within law firms and address burnout and toxic work culture are at the forefront of the industry's concerns.

In summary, a nuanced understanding of the industry basics, including legal frameworks, practice areas, ethics, technology, and diversity, is crucial for Canadian lawyers to thrive in 2024 and beyond.



THE DATA

We embarked on a comprehensive survey aimed at unraveling the experiences and perspectives of legal professionals across Canada. With a robust participation of over 250 responses, our survey explores the challenges facing the legal profession, shedding light on key insights and trends shaping the industry today.

Our findings revealed that a considerable proportion, 39%, were from firms with a lawyer count ranging between 11 to 25, indicative of the varied sizes and structures prevalent within the legal sector. Additionally, 37% of our respondents identified themselves as Legal Assistants/Legal Administrative Assistants (LAA), highlighting the diverse roles and responsibilities encompassed within the legal support framework. With 48% of respondents from Ontario, our survey captures insights from a pivotal hub in the Canadian legal landscape, offering valuable perspectives from this key jurisdiction.



Top Practice Area

Personal Injury/LTD was listed as the top practice area by 61%.



Tenure

33%, have been with their current firm for more than 8 years.



Age Distribution

44%, fall within the age range of 35 to 50 years old.

SURVEY QUESTIONS

This year, we narrowed the focus of our survey to four sections: hybrid and at-home work (WFH), hiring and retention, legal tech, and work culture.

We aim to provide a comprehensive overview of the prevailing trends, challenges, and opportunities within the legal profession, offering actionable insights to navigate the evolving dynamics of the legal landscape effectively.

WORK FROM HOME (WFH)

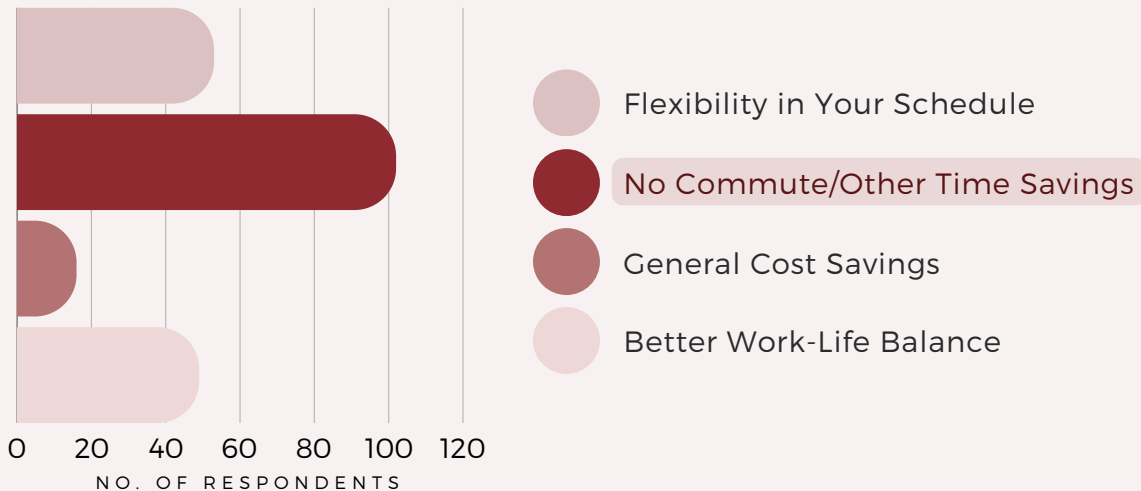
In this segment, we explore the insights gathered from our survey of legal professionals, providing valuable perspectives and practical tips on navigating the remote work landscape in the legal industry.

DO YOU WORK FROM HOME?

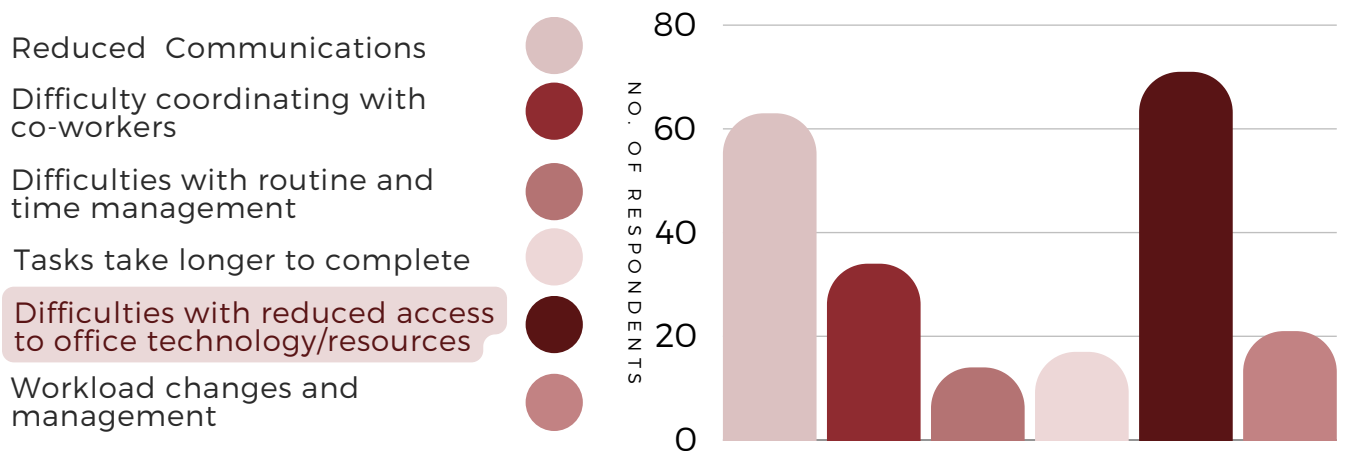


YES
75%

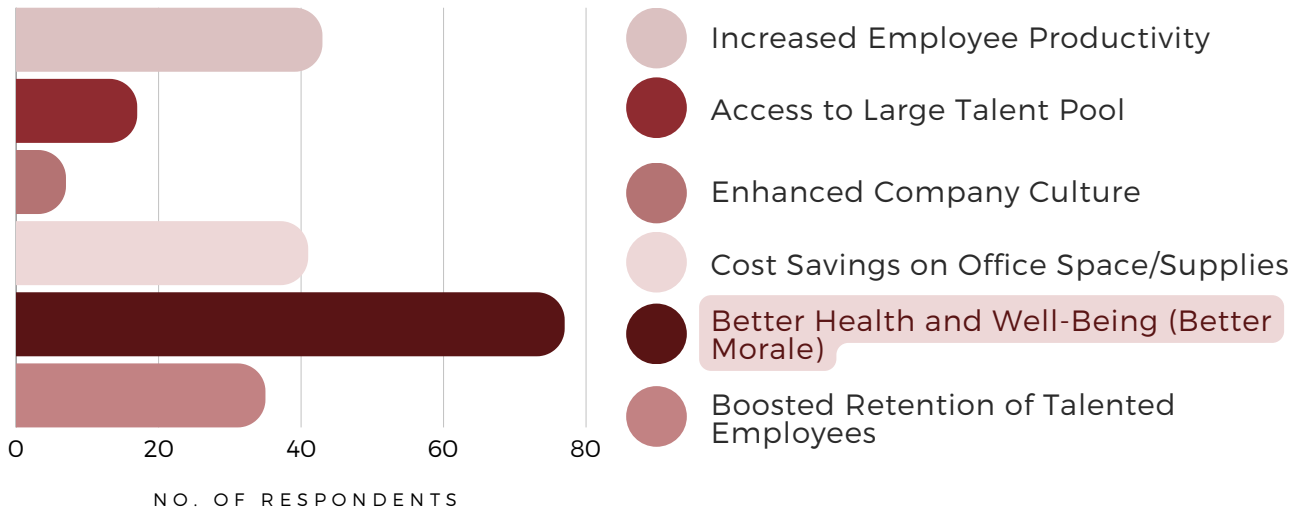
WHETHER YOU WORK FROM HOME OR NOT, WHAT DO YOU CONSIDER THE BEST PART OF WORKING FROM HOME/REMOTE WORK?



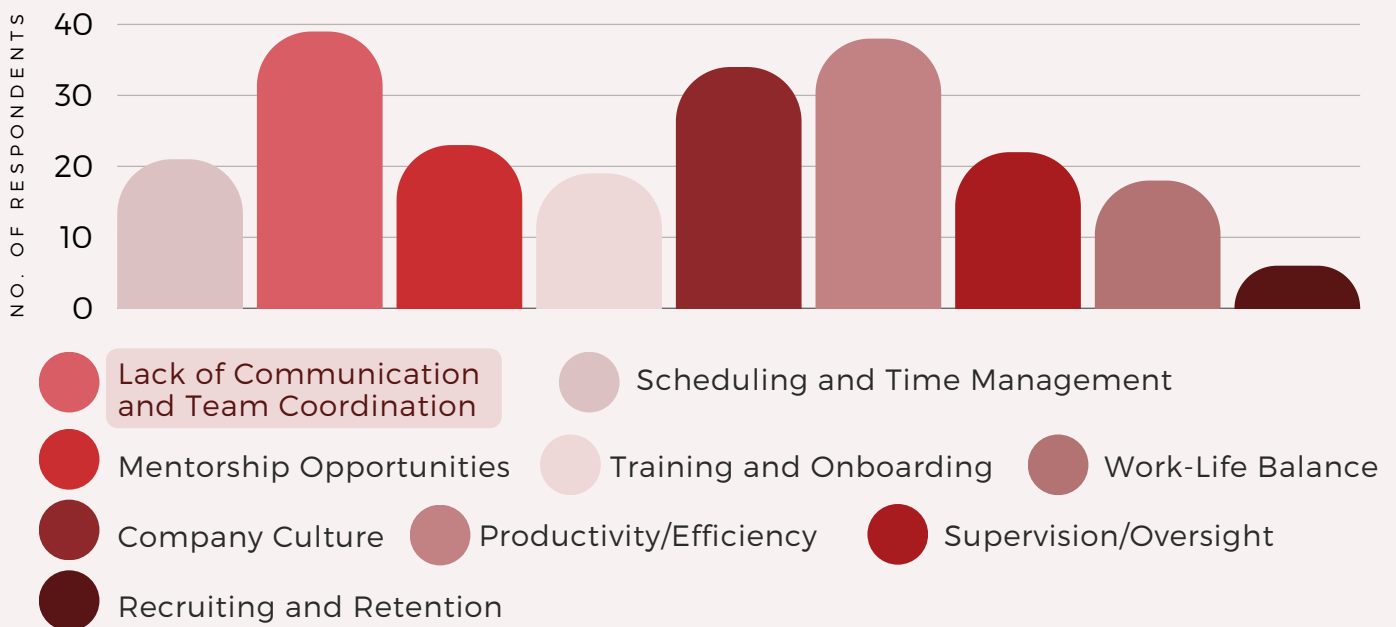
WHETHER YOU WORK FROM HOME OR NOT, WHAT DO YOU CONSIDER THE MOST CHALLENGING PART OF WORKING FROM HOME/REMOTE WORK?



WHAT STANDS OUT AS THE MOST SIGNIFICANT ADVANTAGE TO YOUR FIRM IN PERMITTING WFH?



WHAT STANDS OUT AS YOUR BIGGEST CONCERN FOR WFH/HYBRID WORK MODELS AT YOUR ORGANIZATION?



SUMMARY

Our respondents clearly see both positives and negatives arising from hybrid and WFH models, with positive features focused on work/life balance, reduced time spent commuting, and all around better time management. At the same time, concerns around access to the firm's resources--technology, coworkers, and mentorship/institutional knowledge were the greatest.

THE LAST WORD

While remote work is seen as beneficial for employee well-being, concerns remain about its impact on communication and coordination. There is skepticism about whether it has truly benefited the legal profession as a whole.

WOULD YOU CONSIDER SEEKING EMPLOYMENT ELSEWHERE IF YOUR FIRM MANDATED ONLY IN-OFFICE WORK?

YES
45%

IS YOUR FIRM PLANNING TO BRING EMPLOYEES BACK INTO THE OFFICE IN 2024?

NO
63%

YES
66%

NO
34%

WFH/HYBRID WORK MODELS HAVE EXPLODED IN THE PAST YEARS, DO YOU THINK IT HAS MADE THE LEGAL INDUSTRY BETTER OFF?

Some can argue that the lack of face-to-face interaction can lead to misunderstandings and a decrease in collaborative efficiency. However, others believe that the flexibility and autonomy provided by remote work can enhance productivity and job satisfaction among legal professionals.

Law firms have adopted various technological solutions to bridge the communication gap, such as video conferencing, collaborative software, and secure document-sharing platforms. These tools have enabled teams to stay connected and maintain a high level of service to their clients.

Remote work can also attract talent from diverse geographical locations, allowing firms to build more inclusive and varied teams. This can lead to a richer exchange of ideas and perspectives, ultimately benefiting the profession.

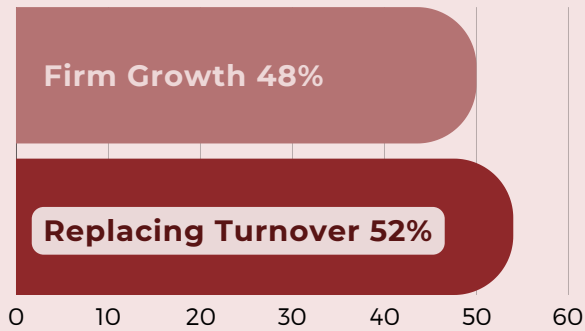
OPERATIONS | HIRING

In this segment, we explore the findings from our survey of legal professionals, offering valuable insights and actionable advice for navigating the hiring landscape in legal operations.

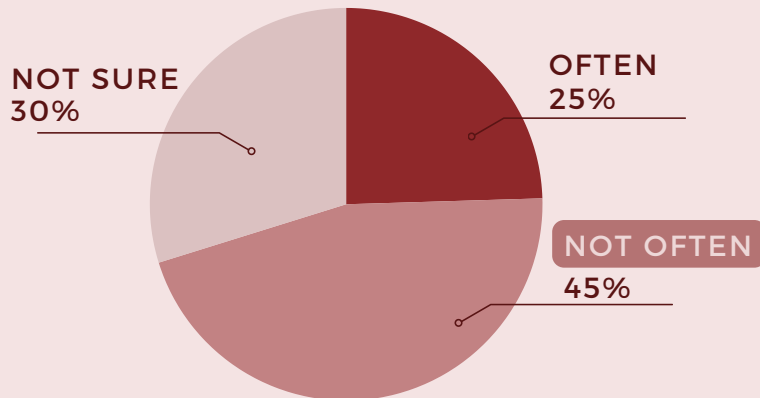
ARE YOU HIRING?



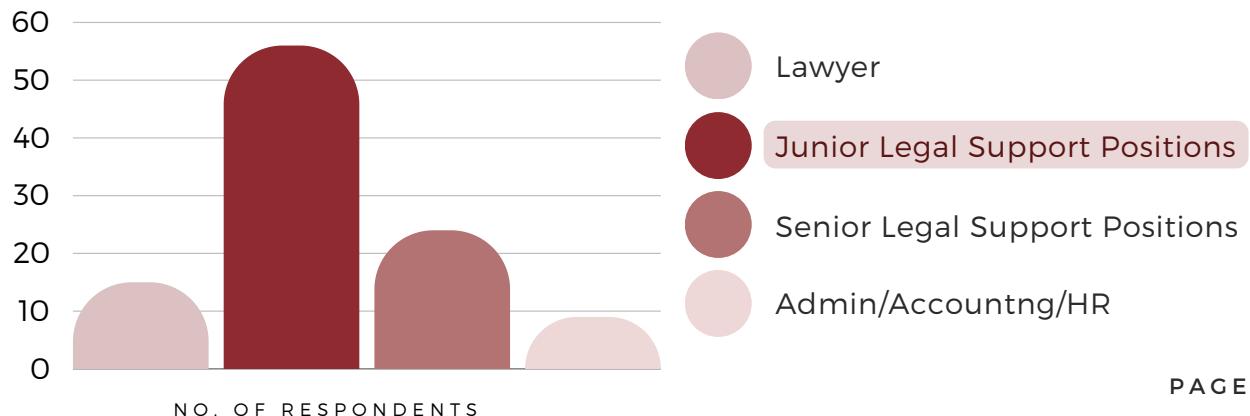
IS THE DECISION TO HIRE DRIVEN BY FIRM GROWTH, OR BY FACTORS RELATED TO RETENTION AND TURNOVER?



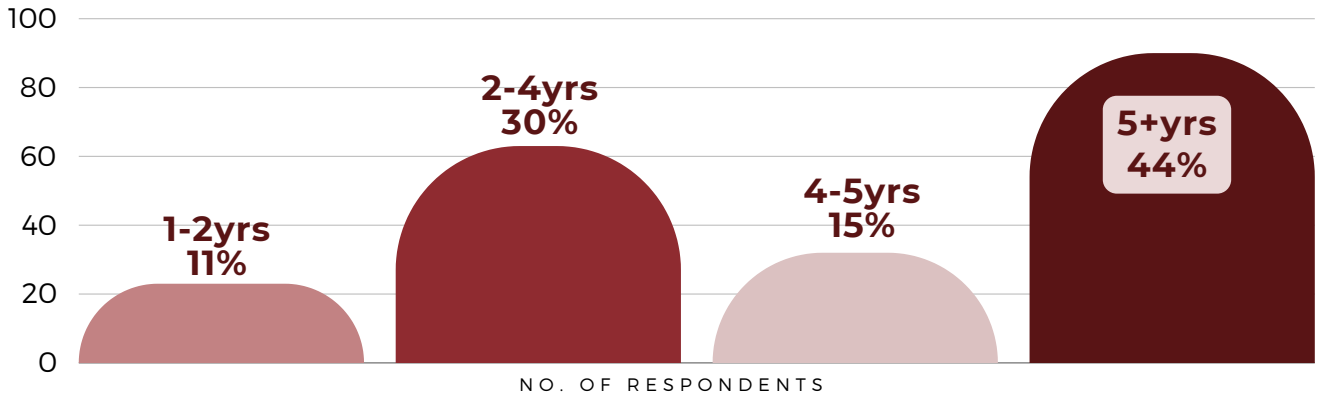
HOW OFTEN ARE YOU HIRING NEW EMPLOYEES?



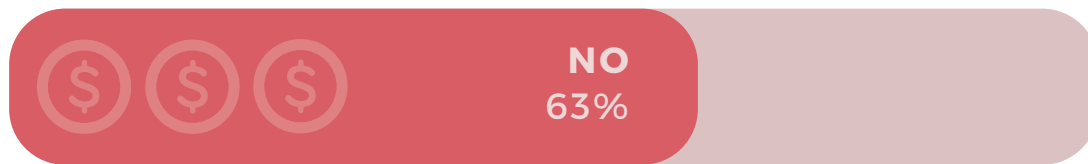
IF HIRING, WHAT ROLE IN YOUR OFFICE, ARE YOU LOOKING TO FILL?



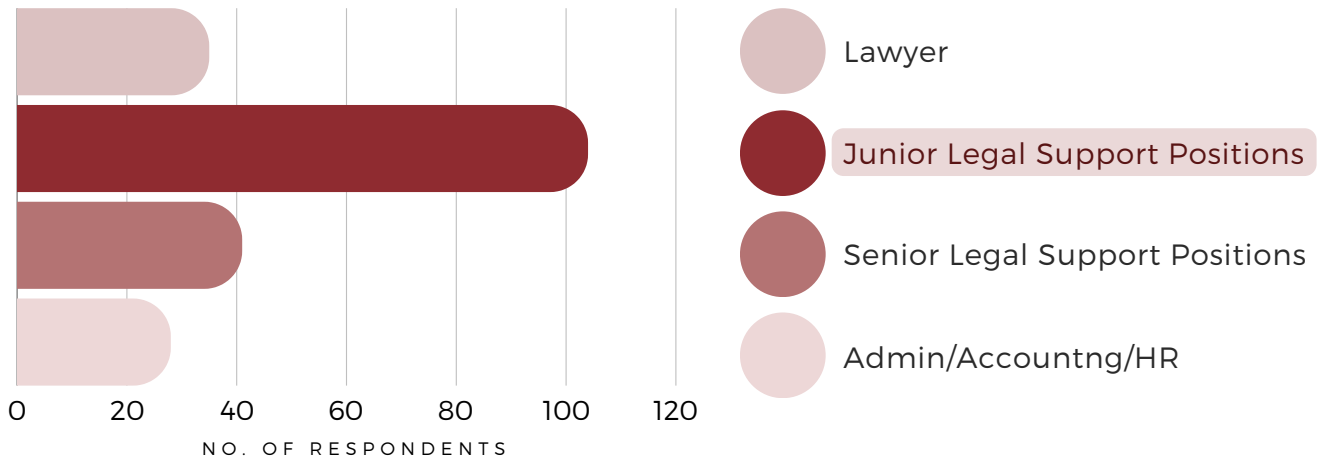
WHAT IS THE AVERAGE EMPLOYEE TENURE (LENGTH THEY STAY AT YOUR FIRM)?



HAS INFLATIONARY PRESSURE IN THE LAST 4 YEARS CAUSED SALARIES AT YOUR FIRM TO INCREASE FASTER THAN NORMAL?



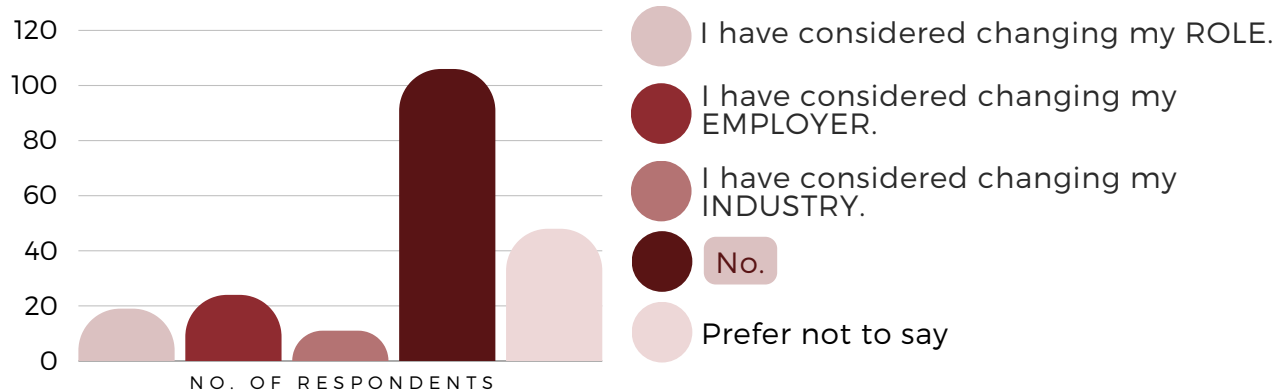
WHAT ROLE IS DIFFICULT TO RETAIN?



Despite inflationary pressures, salary increases have not necessarily increased raises with rising costs at a majority of firms. This information can be valuable for firms in assessing their compensation strategies and employee retention efforts in light of market conditions.

Additionally, junior legal support positions are challenging to retain. From limited opportunities for career advancement to lower compensation and benefits compared to other legal roles. Figuring out why is crucial for maintaining operational efficiency, delivering high-quality client service and reducing turnover.

WITHIN THE PAST YEAR, HAVE YOU CONSIDERED CHANGING YOUR ROLE, EMPLOYER, OR INDUSTRY?

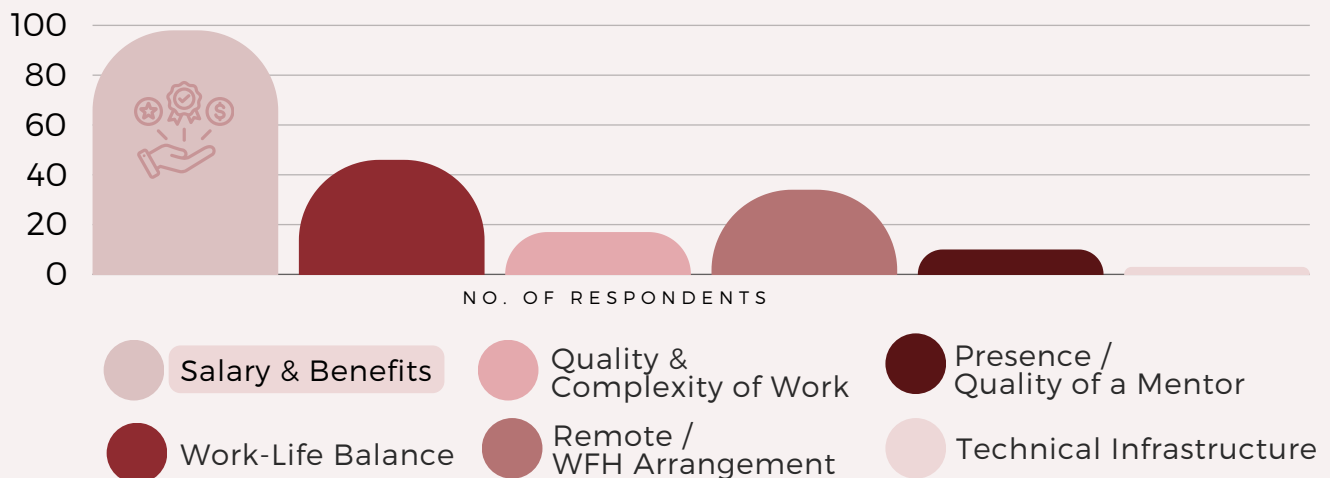


A slim majority of 51% responded "No" to whether they would consider making a change of some sort. This means that the other **49% of respondents have some kind of change in mind** (or prefer not to say--draw your own conclusions).

Many firms would be alarmed to find that 49% of their employees would not commit to staying in their current employment. However, the situation varies widely across different companies. Some do a great job keeping their employees happy and loyal, while others have many more people considering a change.

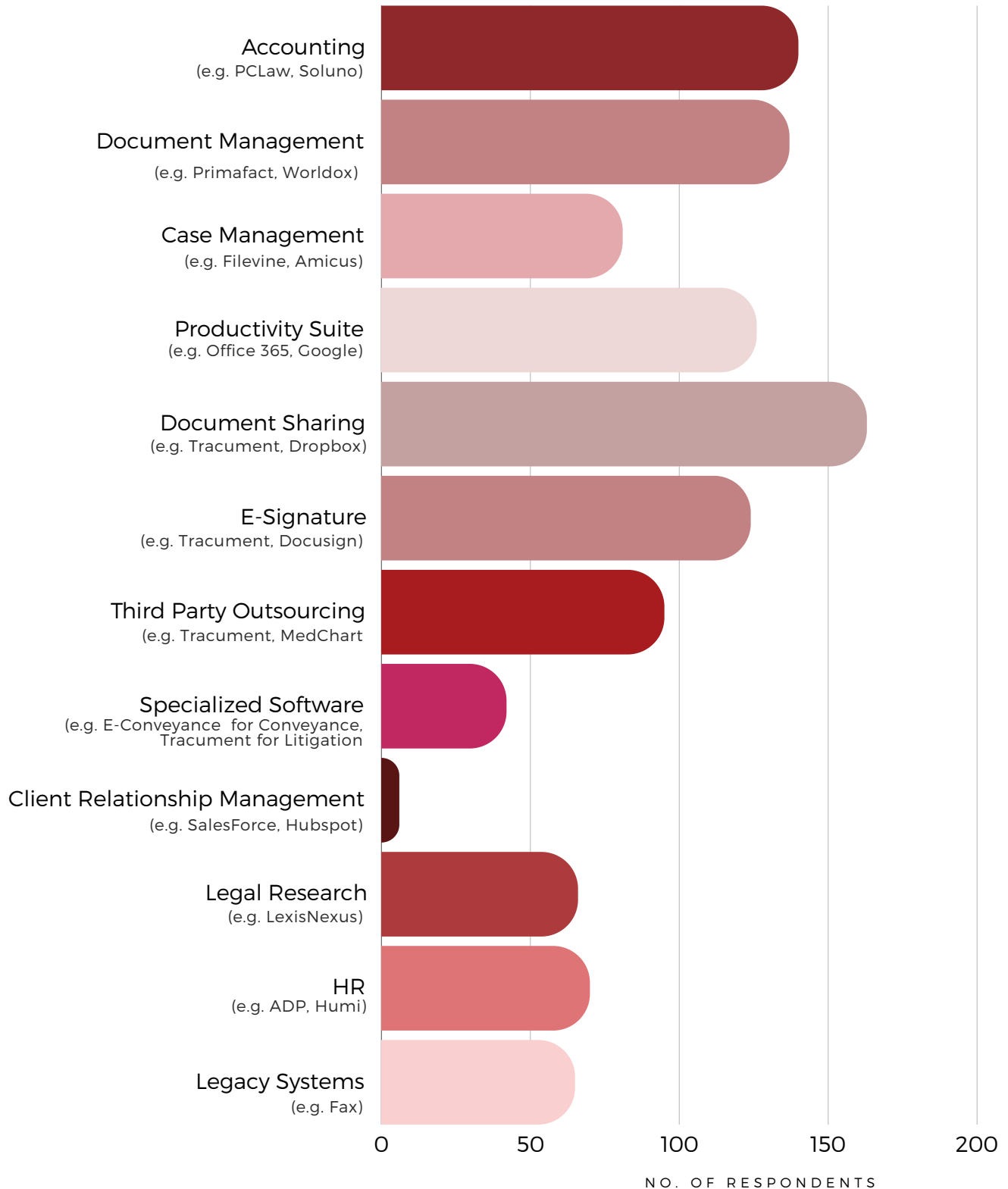
For further insights on what makes a firm great at retention, see the final section of this survey.

WHEN CONSIDERED EMPLOYMENT OPPORTUNITIES, WHICH OF THE FOLLOWING IS MOST IMPORTANT TO YOU?



TECHNOLOGY

In this segment, we begin by asking “**What types of software does your firm currently use as part of its Tech Stack (Check all that apply)**”.



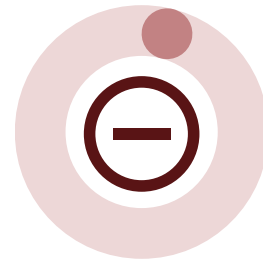
HOW SATISFIED ARE YOU WITH THE LEVEL OF TECHNOLOGY AT YOUR FIRM?



I would like MORE technology.
24%

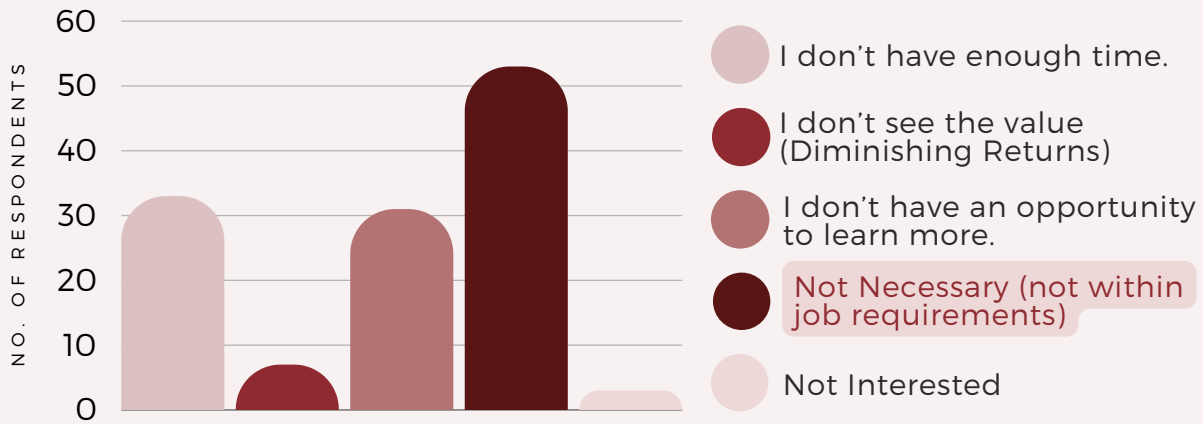


I am satisfied.
74%

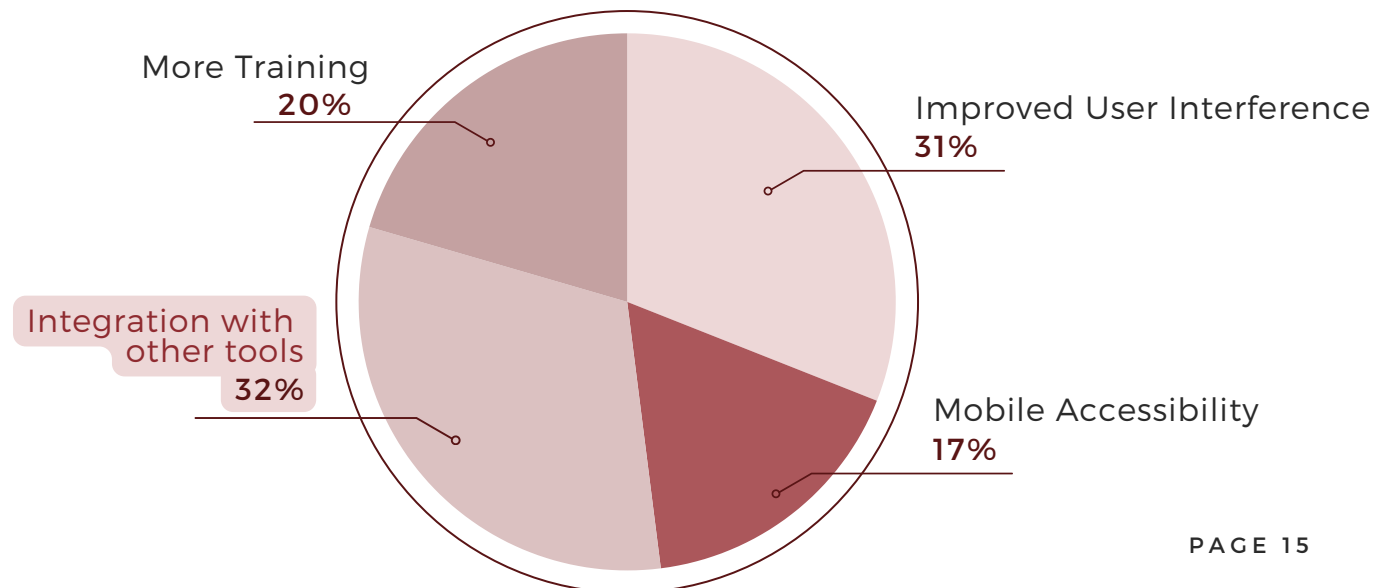


I would like LESS technology.
2%

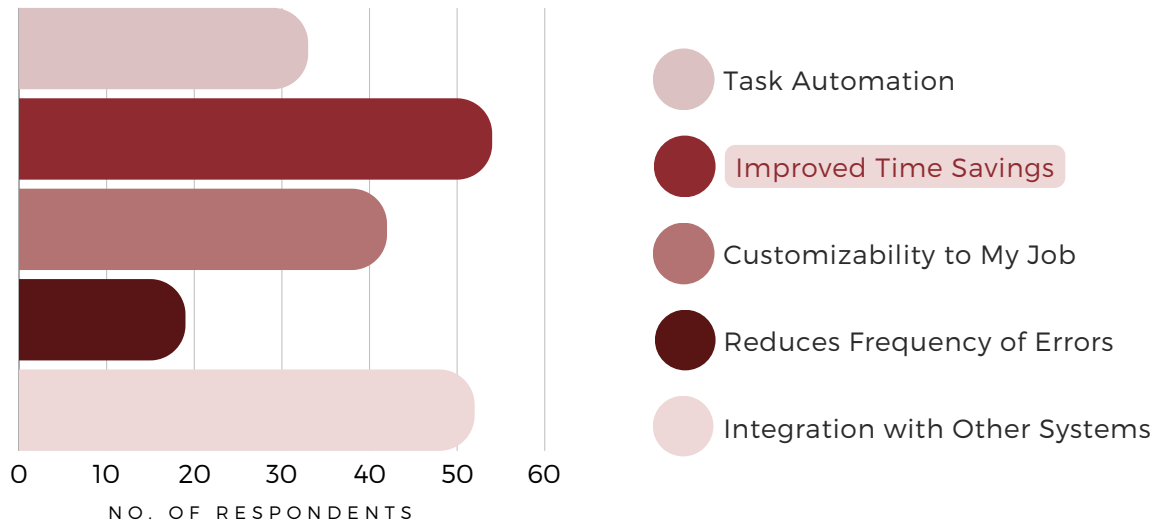
WHAT IS STOPPING YOU FROM LEARNING MORE ABOUT THE TECHNOLOGY YOU HAVE IN YOUR FIRM?



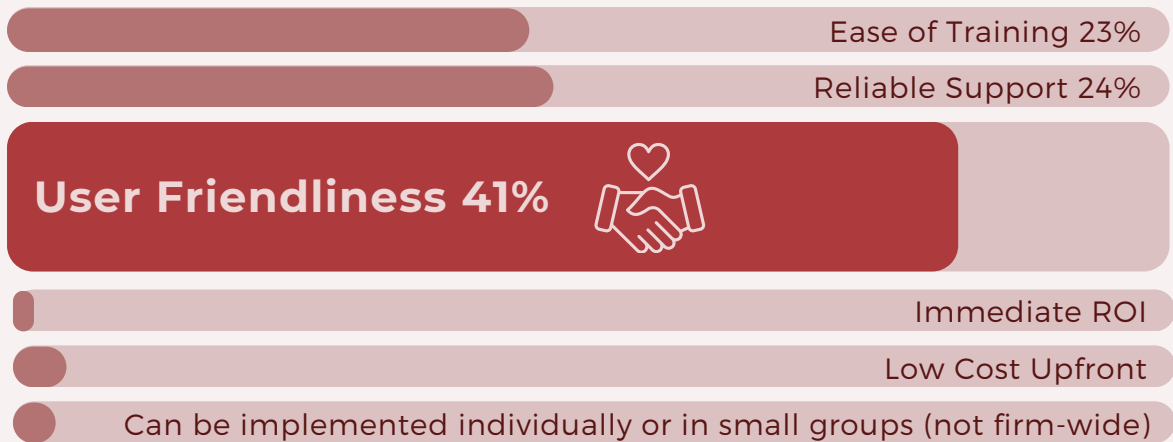
WHAT WOULD MAKE YOUR LEGAL TECH EASIER TO USE?



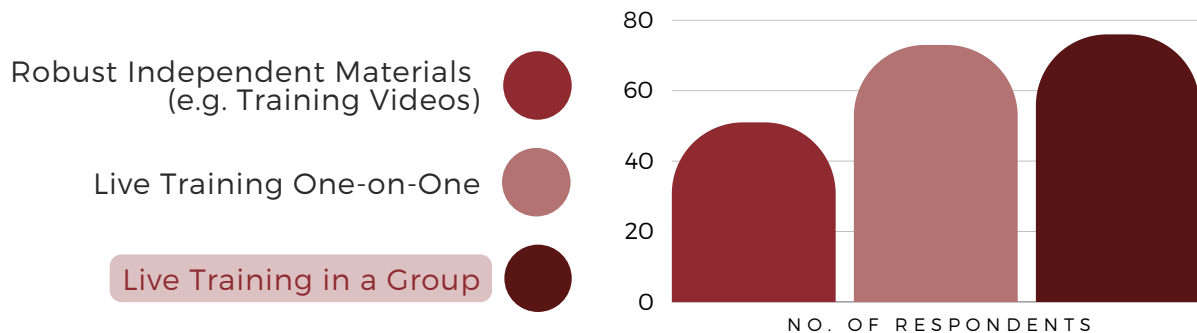
WHAT WOULD MAKE YOUR LEGAL TECH MORE VALUABLE?



WHAT WOULD MAKE YOUR LEGAL TECH EASIER TO IMPLEMENT?



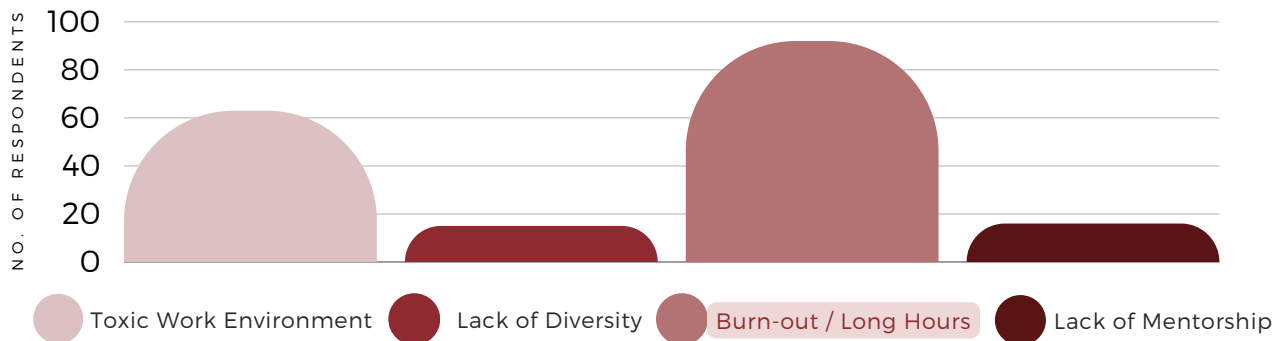
WHEN BEING TRAINED ON NEW SOFTWARE DO YOU PREFER:



WORK CULTURE

In this final segment, we delve into the insights gathered from our survey of legal professionals, exploring the dynamics of work culture within the legal industry.

WHICH OF THE FOLLOWING ISSUES DO YOU THINK IS MOST IMPORTANT FOR THE LEGAL INDUSTRY TO ADDRESS?



COULD THE ISSUE YOU SELECTED BE SUCH A PROBLEM THAT IT WOULD POTENTIALLY CAUSE YOU TO LEAVE AN EMPLOYER, OR TURN DOWN AN OFFER OF EMPLOYMENT?

YES
74%

DO YOU THINK THAT THE LEGAL INDUSTRY IS ADEQUATELY ADDRESSING THIS ISSUE?

NO
65%

HOW WELL DO YOU THINK YOUR FIRM IS RESPONDING TO THE CHALLENGES AND CHANGES IN THE LEGAL INDUSTRY?



DATA REVIEW

In this section, we offer a summary and further insights taken from the raw data presented above.

We will examine trends being observed and aim to provide valuable insights and practical guidance for legal professionals and firms striving to succeed in the legal sector.



WORKING FROM HOME

Before the pandemic, the ability to work remotely was considered a luxury reserved for certain positions. Quickly after, it became a hot topic issue, with some tech giants threatening to terminate employees who preferred working from home, while others adopted hybrid models.

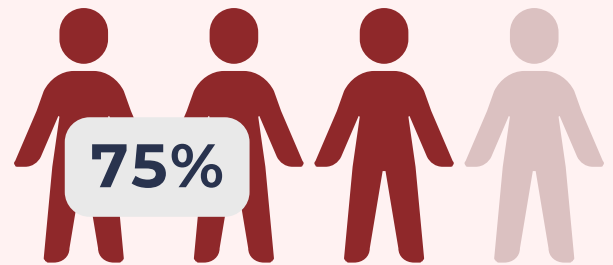
Despite varying stances, this shift made remote work a much more common feature in job postings and topic of conversation in interviews, accessible to all positions.

But what does remote work look like in 2024?

CURRENT STATE

In our survey, we found that a majority of respondents are still working from home, with most working at home 1-2 days a week. Sixty-five percent stated that the work-from-home/hybrid working model has made the legal industry better off, citing “No commute/other time savings” as the top reason. However, despite all the benefits, 55% of respondents answered ‘No’ when asked if they would consider seeking employment elsewhere if their firm mandated in-office work.

RESPONDENTS WHO WORK FROM HOME



What does this mean?

It means that while employees enjoy working from home (full-time or part-time) it is no longer their top priority. Instead, we've seen that priorities have shifted to address more immediate concerns in the Canadian economy: **salaries and benefits**--which we will cover later in this report.

CHALLENGES WORKING REMOTELY IN 2024

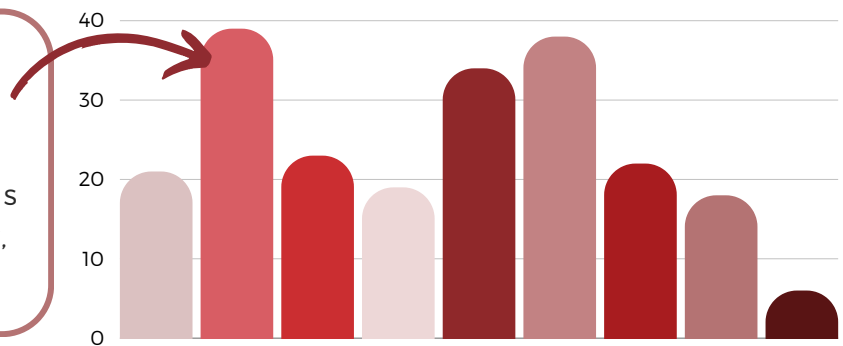
Although respondents see improved health and well-being as major benefits of working from home, a significant 32% of firms still prefer to bring employees back to the office. This trend could indicate that either people are eager to return to the office, or they're finding remote work challenging--or both.

When asked what is the most challenging aspect of working from home as a whole, 32% of respondents stated 'Difficulties with reduced access to office technology/resources'. This was ranked first over coordinating with co-workers and reduced communications. Additionally, when asked about their specific firms, 18% of respondents felt that communication and team coordination were their main concern.

18%

Communication & Team Coordination

Were voted #1 as the **biggest concern** for WFH/Hybrid work models at firms **over** factors like productivity, work-life balance and company culture.



THE KEY TO SUCCESSFUL REMOTE WORK

The statistic that 32% of firms still prefer to bring employees back to the office may reflect a desire to provide employees with tools and resources that are difficult to access remotely. It also highlights the importance of understanding and addressing the unique technological needs and challenges faced by legal professionals to ensure productivity and satisfaction whether they work in-office or remotely.

This could indicate that it's not just about implementing more technology, but about the quality of that technology. Is it helping or hurting your firm? How do you choose the right technology that will actually benefit your firm? Here are some tips:

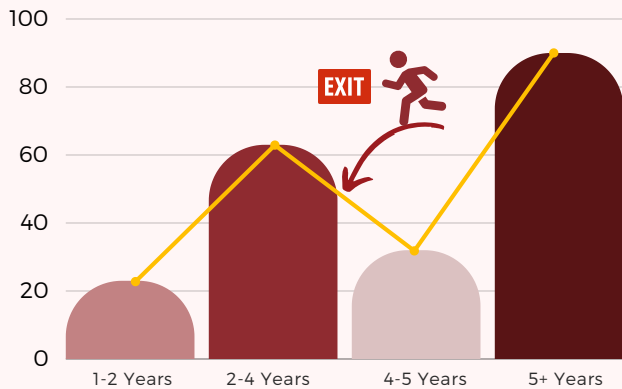
- Create a **checklist** of your firm's wants and needs
- Gather **input** from multiple sources that will use the tech at your firm. You want to ensure that the people using it find it:
 - Intuitive
 - Efficient (and that it streamlines workflows and operations)
- Keep in mind the **size of your firm** as legal software may cater differently towards small firms than larger firms.
- Always check **reviews** of the vendors you're researching
- Ask vendors **questions** about aspects of the software such as:
 - Set up / Data migration
 - Scalability
 - Cost
 - Support
 - Integration
 - Security

KEY TAKEAWAY

In 2024, it is clear that remote work is here to stay. Legal professionals appreciate the ability to work away from the office, but it is no longer a priority as it was years ago. However, there is a rising minority of firms that are bringing employees back into the office full time. Time will only tell if this minority will become a majority if challenges remain, if firms begin to become stagnant, or if firms become slow to change as they once were. Two things are certain: (1) if remote work is to stay, then the right technology needs to be implemented; and (2) those who embrace digital transformation will be better positioned to thrive.

OPERATIONS; HIRING

THE THREE YEAR ITCH: A SALARY ISSUE



Despite the average employee tenure at many firms surpassing five years, a significant challenge emerges in retaining junior support positions—like legal administrative assistants, paralegals, and law clerks—beyond the three-year mark. A stark 52% of firms report difficulty in retaining these roles, with a noticeable 15% drop in retention rates between the 2-4 year and 4-5 year intervals. This trend may be largely influenced by several factors:

- **Career Progression:** 25% of these employees are seeking changes in their roles, industries, or employers, indicating a desire for advancement or different experiences.
- **Salary Stagnation:** For a number of respondents (64%) inflation has not been taken into account in raises in pay. One respondent stated, **“The inflation raise was not even comparable to what we are living through. It was like giving me \$5.00 when I really needed \$30.00.”** The rising cost of living, especially in essentials like groceries, has further fuelled the need for better wages to support individuals and their families.
- **Prioritizing Compensation:** 50% of all respondents cite salary and benefits as their top priorities when considering new job opportunities. Given that only 50% of firms are hiring, those offering better compensation packages are likely to attract employees seeking better financial terms.

These dynamics suggest that if firms do not address these critical areas, especially compensation and career development, they risk losing valuable talent to competitors offering more attractive terms.

According to Statistics Canada & Dalhousie

The cumulative price increase for food purchased from stores between February 2021 and February 2024 was reported to be 21.6%. Inflation is still set to rise another 2-4% in the next year which will set back an average family of 4 another \$701.79 from last year.



OTHER REASONS WHY EMPLOYEES ARE LEAVING



Work/Life Balance

Many respondents mentioned a lack of work/life balance, feeling constantly overworked, which has a negative impact on their health and well-being.



“Legal work is stressful and it is hard to maintain a family balance and keep sanity, frankly. Also, as a senior law clerk, I have no more opportunity for growth so I feel stagnant in terms of development.”

“No work-life balance. Constantly working is affecting my health.”

40%

of Junior and Senior Associates value Work-Life Balance.

Career Growth and Development

Employees are seeking opportunities for advancement, feeling stagnant in their current roles. Some are considering changing roles or exploring different areas of law for a new challenge.



“I like to grow and improve as a person and changing a role that is a level higher makes me feel proud and good about myself and what I do”.

WHAT TO DO

As inflation affects the cost of living across Canada, it's crucial for firms to regularly review and adjust salaries to stay competitive. However, we recognize that salary increases may not always be possible due to other financial obligations of the firm.

This presents a challenge: how can a firm retain its legal professionals while still raising salaries?

One idea is to increase efficiency. If a firm is able to leverage automation, or other forms of technology it can enhance office efficiency and reduce other costs. Those reduced costs can be redirected into better compensation for legal professionals. This approach not only aids in retention, but also makes the firm more attractive to other professionals looking for opportunities.

Apart from adjusting salaries, offering a comprehensive benefits package that includes wellness programs, such as gym memberships and mental health support, can further enhance employees' overall well-being and job satisfaction without increasing their financial burden.

OPERATIONS; TRAINING

Every law firm has invested a good amount of money into purchasing technology to make their firm more efficient and productive. But what is good technology if no one knows how to use it? Recent trends, like the wide spread of remote work, highlight the importance of not only technical proficiency, but also adaptability to virtual environments--which is achievable through quality training. In fact, our survey has revealed that **20% of respondents believe that 'more training' would make legal technology easier to use.** This may suggest that the training currently provided may either be insufficiently informative, too infrequent or too frequent.

The question is then: what constitutes good, “quality” training?

- Relevance to job roles
- Interactive elements
- Practical application
- Continuous evaluation & improvement

By aligning training with job tasks, engaging learners, providing opportunities for hands-on practice, and maintaining an interactive approach, firms can ensure that their training programs yield tangible benefits.

DIMINSHING RETURNS

However, there is a caveat even if firms provide the highest quality training available to each employee: the law of diminishing returns. At first, training may boost skills and knowledge significantly. However, after a certain point, adding more training brings smaller improvements. Employees may start to see extra sessions as unnecessary or irrelevant, which can lead to lower interest and less effective learning. As a result, the extra time and effort put into training do not translate into equally increased productivity or skills.

To address this, firms should:

- Strategically prioritize training areas
- Tailor content delivery to individual needs
- Provide continuous reinforcement
- Regularly evaluate and adapt their training programs

By taking these steps, firms can maximize their training investment returns while ensuring legal professionals stay updated on emerging technological advances and trends.

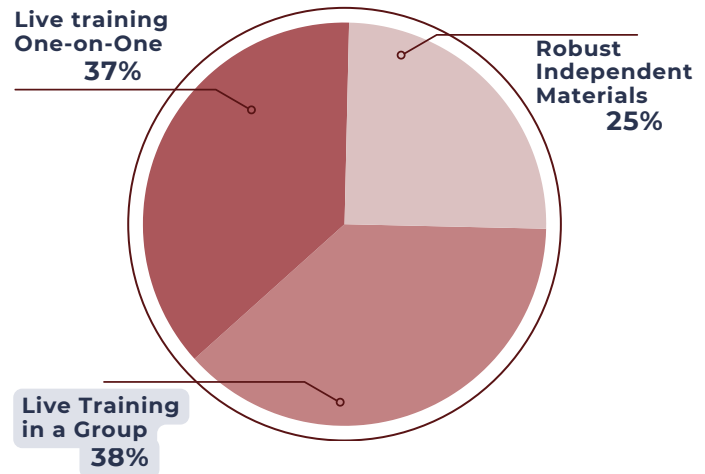
92%

Of executives believe that engaged employees drive higher company performance according to a **Harvard Business Review**.

A CULTURE OF CONTINUOUS LEARNING

Our survey reveals that many employees in law firms, junior and senior, know how to use their firm's technology well. Specifically, 20.5% of the junior employees (aged 18-34) and 29.5% of those aged 35-50 feel confident in their tech skills. However, there's still a chance to improve training because only 11% of the junior group and 14% of the senior group see themselves as experts who can teach others. **This points to an opportunity to develop more experts through better training programs.** Additionally, only 3% of employees over 51 feel they can train others, indicating a need for more focused training to help seasoned employees become more comfortable with technology. Implementing such targeted training could help close the skill gaps between different age groups, ensuring everyone has similar technology skills.

TRAINING PREFERENCES IN 2024



For those hesitant about training, firms could incentivize participation by offering small pay increases for completing training programs that enhance the efficiency, quality, and quantity of their work output.

KEY TAKEAWAY

To maximize the impact of their technology investments, law firms need to ensure that their training programs are not only comprehensive, but also effectively tailored to meet the diverse needs of their workforce. Here are some streamlined strategies for optimizing technology training and enhancing overall firm productivity:

- **Targeted Training:** Ensure training is relevant and directly applicable to employees' roles, enhancing both efficiency and productivity.
- **Engaging Learning:** Use interactive elements like hands-on exercises and discussions to maintain engagement and interest.
- **Continuous Improvement:** Regularly update and refresh training programs to keep pace with technological advancements and legal industry changes.
- **Evaluate and Adapt:** Continuously assess training effectiveness through feedback and performance metrics and adjust programs accordingly.

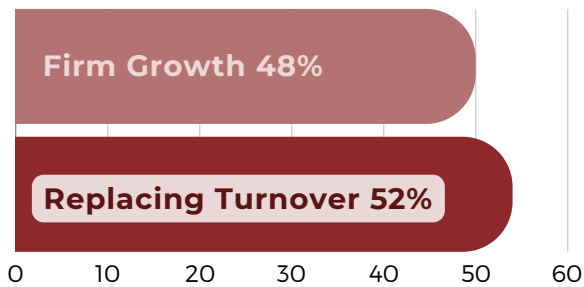
These steps will help law firms ensure that their technology training is as effective and efficient as possible, leading to a more skilled and productive workforce.

TECHNOLOGY;RETENTION

EMBRACING TECHNOLOGY

Growing a firm is an exciting sign of expansion, often accompanied by an increase in clients. Yet, our survey reveals a nuanced picture: **48% of firms are hiring to accommodate growth, while 52% are focused on hiring due to retention and turnover issues.** This suggests a high rate of departures, which can be costly for any firm. When legal professionals leave, it invariably impacts the firm negatively. Not only do remaining team members have to fill the gap, but the firm also faces the challenge of recruiting and training new hires.

IS THE DECISION TO HIRE DRIVEN BY FIRM GROWTH, OR BY FACTORS RELATED TO RETENTION AND TURNOVER?



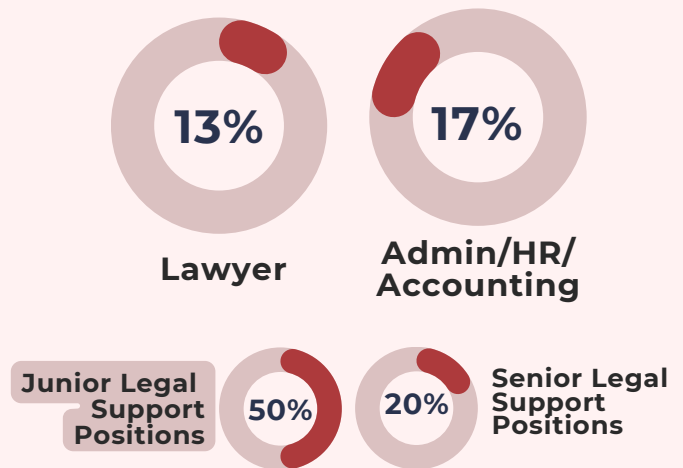
The effective use of technology doesn't only have to improve work processes, it should also apply to firm-wide operations which can include administrative processes.

If a firm is able to harness the right technologies, not only can they boost productivity and efficiency, they may also diminish the need hire immediately for growth and help manage turnover and retention issues.

Quality legal tech solutions should allow firms to manage large workloads with the same, or fewer staff. Using automation tools, such as those that automate routine and repetitive tasks, can free up time for legal professionals to concentrate on more valuable tasks. AI tools can also help analyze large volume of legal documents quickly, identifying relevant case laws and precedents, which speeds up legal research (to an extent).

Our data show that only 50% of firms are actively hiring which indicate a tight labour market for many legal professionals. Additionally, junior support positions were rated the most difficult role to retain, while other roles such as admin/accounting/HR and Lawyers were rated easier. While good retention rates in these roles are beneficial, they also highlight the difficulty of replacing these roles when in this hiring environment.

WHAT ROLE IS DIFFICULT TO RETAIN?





BALANCE

The integration technology into the legal sector has been a slow process. Yet, despite resistance, technology is now entrenched in the field and has brought significant improvements. One respondent noted, “**All firms and courts have had to adapt to a more electronic model for document transmission, etc. It has forced the field to modernize, which was overdue**”. The pandemic has demonstrated that technology is an invaluable asset, enhancing efficiency, productivity, and even boosting morale. However, it is not the complete solution.

The practice of law involves a wide range of roles, all of which require human judgment and expertise that technology alone cannot replicate. Additionally, while technology can enhance the efficiency of legal professionals, it is important to recognize that this increased productivity can also lead to burnout and fatigue if not managed properly. So, while technology has been an excellent tool, firms must strike a balance between technology and human resources to ensure sustainable growth and success.



KEY TAKEAWAY

Effective use of technology can significantly enhance firm operations by not only improving efficiency, but also aiding in staff management. By automating routine tasks with tools like AI and automation software, legal professionals are free to focus on more complex and valuable tasks, which can increase productivity and reduce the need for immediate hiring.

However, it's crucial to maintain a balance between technology and human resources. While technology offers numerous benefits, the unique human judgment and expertise required in law cannot be fully replicated by machines. Over-reliance on technology without proper management can lead to professional burnout and fatigue, highlighting the importance of integrating technology thoughtfully with human skills to ensure sustainable growth and long-term success. Here are some tips to help achieve this balance:

1. **Adopt Complementary Technologies:** Select technologies that enhance legal professionals' capabilities without replacing the need for their judgment and expertise.
2. **Focus on Training:** Continuously train staff on new technologies to ensure effective use and seamless integration into daily operations.
3. **Manage Workloads:** Utilize technology to monitor and adjust workloads, preventing burnout and maintaining a healthy balance between efficiency and employee well-being.

WORK CULTURE; BURNOUT

Burnout is an epidemic, sweeping over the legal landscape with half of it's professionals experiencing it's affect, according to our survey, and others as well. High pressure environments, along with heavy workloads, and strict deadlines being major factors in this issue. These stress points are further exacerbated by the adversarial nature of legal work and demanding billable hour expectations.

While firms may believe that burnout is an individual struggle, it also impacts firm productivity and employee retention.

With a significant majority of respondents (65%) feeling that the legal industry is not effectively tackling burnout. Additionally, **74% of respondents indicated that they would either leave their current position or decline job offers if burnout was a widespread problem at the firm.** Some of the major causes of burnout include: work overload, lack of autonomy and influence at work. lack of support and poor working hours.

BURNOUT SYMPTOMS

Burnout have an adverse consequences for both the individual and the firm, creating large waves if not addressed quickly and appropriately. These consequences, while initially are a psychological, if maintained over time will translate into physical, which in turn will have undesirable organizational consequences.

- **Psychological:** Burnout can affect both cognitive and emotional aspects, leading to difficulties with concentration and memory, decision-making challenges, and diminished ability to cope.
- **Health:** Burnout commonly presents physical symptoms such as chronic fatigue, insomnia, headaches, and a greater susceptibility to infections, reflecting its profound impact on physical well-being.
- **Behavioural:** Burnout often results in job dissatisfaction and a lack of commitment to the organization, prompting a high turnover intent. While a significant 74% of professionals might consider leaving their jobs due to burnout, about 25% will stay. However, those who stay may experience worsened outcomes, displaying counterproductive work behaviors and increased aggressiveness towards colleagues.



ACCORDING TO THE NATIONAL STUDY ON THE HEALTH & WELLNESS DETERMINANTS OF LEGAL PROFESSIONALS IN CANADA

ADDRESSING BURNOUT

Burnout is a significant issue that can be preemptively addressed through primary prevention. Employers need to prioritize primary prevention by providing adequate support, information and training aimed at managing psychological risks before burnout symptoms emerge. It is vital for legal professionals to learn how to recognize signs of burnout and implement effective management strategies. This proactive approach not only prevents burnout from taking root, but also prepares both firm and employees to handle it effectively should it occur. By doing so, they can maintain a healthier, more resilient workforce capable of sustaining high performance without sacrificing mental health.

WE ASKED: HOW WOULD YOU ADDRESS THIS ISSUE IN THE LEGAL INDUSTRY? HERE IS HOW YOU ANSWERED:

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“I think we need to distribute work more evenly and be aware of work life balance.”

“There's often a division between the frontline staff and the lawyers where the frontline staff are given clerical duties and little else, whereas many of them would prefer further training in the how and why of legal reasoning. Fosters a better sense of teamwork and creates a much more stimulating work environment.”

“Allowing for the lawyers to respect their legal support hours of work and not message them continuously when off the clock. Having a good relationship with the lawyer and clerk/assistant to ensure both are satisfied with work and organization.”

“Communicate. Ensure that there is support on an organizational level for people from all demographics to discuss issues of diversity and inclusion and to have uncomfortable conversations.”

“Addressing burnout requires a holistic approach, including promoting work-life balance, realistic workload management, mentorship programs, and mental health awareness. Fostering a supportive culture is pivotal for creating a sustainable and fulfilling legal profession.”

“...Foster a Supportive Culture: Develop a culture that emphasizes support, collaboration, and mentorship. Encourage senior attorneys to mentor junior associates, promote teamwork through shared goals and projects, and celebrate successes as a team.”

— ”

ADDRESSING BURNOUT CON'T

To mitigate this issue, several strategies can be implemented for **Employers:**

- **Better Workload Distribution**
 - Ensure workloads are evenly distributed among team members. This will help any single individual from becoming overwhelmed. Regularly review workloads and adjust work assignments to keep workloads manageable.
- **Cultivating Supportive Environments**
 - Create a workplace culture that promotes support and open communication. This can significantly alleviate stress. This includes encouraging teamwork, recognizing achievements and fostering a sense of community.
- **Flexible Work Arrangements**
 - Offer flexible working options, such as remote work, flexible hours, and the possibility for sabbaticals. This allows legal professionals to better balance their professional and personal lives, reducing stress.
- **Investing in Mental Health Resources**
 - Providing access to mental health resources, such as counselling services, stress management workshops and wellness programs. Equip employees with tools they need to handle stress more effectively and maintain their mental well-being.

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Employees can take proactive steps to manage and prevent burnout as well. Here are some practical tips for employees to deal with burnout effectively:

- **Recognize the Signs**
 - Be aware of the early symptoms, such as exhaustion, reduced performance, cynicism, and a sense of inefficacy. Recognizing these signs early can help you take action.
- **Set Clear Boundaries**
 - Establish and maintain clear boundaries between work and personal life. This might include setting specific work hours, and making sure to fully disconnect from work during off-hours.
- **Prioritize Self-Care**
 - Make self-care a priority. This includes getting adequate sleep, eating well, and engaging in activities that relax you.
- **Seek Support**
 - Don't hesitate to seek support from colleagues, friends, or family when feeling overwhelmed. Additionally, consider professional help if needed.

FINAL THOUGHTS

5 STAR FIRMS

and how to become one...

Our analysis above outlines several trends and observations, and highlights key points to consider for making positive changes. Taking all aspects into account, this section addresses the best practices that top firms use to achieve five-star status.

For law firms, earning a 5-star rating signifies more than just operational efficiency; it reflects a commitment to exceptional client service, employee satisfaction, and sustained growth. Curious what it takes to become one? Let's begin by exploring actionable strategies to help your firm ascend to this pinnacle of success.



COMPARED TO LAST YEAR

This year, employees rated their firm's responses to industry challenges with high marks, indicating a rise in satisfaction and confidence compared to last year, which suggests a positive trend in perceived firm adaptability.

The portion of neutral responses remains consistent at about a quarter, reflecting ongoing uncertainty or mixed feelings about the effectiveness of firm strategies year-over-year.

Meanwhile, the percentage of less positive responses has slightly decreased, showing a marginal improvement in how firms are adapting to industry challenges.

WHAT DOES THAT MEAN FOR YOU?

Achieving and maintaining a 5-star rating is not without its challenges. Even top-rated firms face difficulties. For instance, a significant 90% of survey respondents reporting that their firms offer flexible working arrangements. However, the mere presence of this option doesn't guarantee high ratings from employees. At lower-rated firms (1-2 stars), employees often have the opportunity to work remotely, suggesting that flexible work arrangements alone do not consistently correlate with firm responsiveness or employee satisfaction.

This means more goes into being a 5 star firm that we think.

FOCUS ON THE FOLLOWING

From our analysis, firms with high ratings (4 or 5 stars) demonstrate the following:

- **Strong Employee Retention:** High-rated firms excel in keeping their talent engaged and satisfied, reducing turnover costs and ensuring continuity in client service. This stability allows firms to build deeper, more meaningful relationships with clients and maintain a consistent standard of excellence.
- **Hire for Growth:** Instead of merely managing turnover, 5-star firms focus on strategic hiring for growth. This forward-thinking approach enables them to expand their capabilities, diversify their expertise, and stay ahead of the competition in a dynamic legal market.
- **Have Supportive Management:** A supportive management team is crucial for fostering a positive work culture. These firms prioritize open communication, provide ample resources and guidance, and encourage professional development. This support helps employees feel valued and empowered, driving higher levels of engagement and performance.
- **Flexible Work-From-Home Options:** These firms understand the value of work-life balance and offer flexible remote work arrangements. This not only enhances employee morale and productivity but also makes the firm more attractive to top talent who value flexibility in their working environment.
- **Keep Abreast of New Technological Developments:** Leading firms invest in cutting-edge technology to improve operational efficiency and client service. By staying current with technological advancements, they can streamline processes, enhance communication, and deliver superior legal solutions.

Prioritizing these strategies can lay the foundation for a five-star firm. In today's competitive legal landscape, striving for a 5-star rating is not just about prestige—it's about creating a sustainable, thriving firm that can adapt to change and continuously deliver exceptional results.

THE IMPORTANCE OF A PROACTIVE APPROACH:

While five-star firms excel in areas such as employee retention, technological advancement, and supportive management practices, Tracument advocates for adding another critical element to this list: **proactive adaptability**.

The COVID-19 pandemic highlighted the necessity of adaptability. Similarly, firms in British Columbia faced significant changes with the introduction of the no-fault insurance system. Firms that quickly adapted not only survived, but thrived. New technological advancements, regulatory changes, economic shifts, and societal trends can all potentially disrupt the status quo. Being adaptable means more than just getting ready for changes—it's about actively adjusting strategies and operations. This approach keeps things flexible and helps organizations succeed in the long run.,

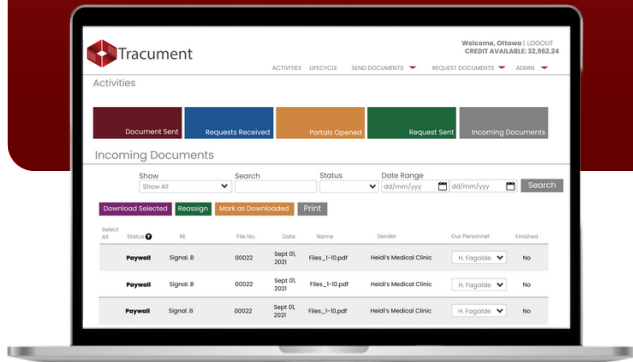
Could another shift like this be coming? What does it look like?

Let's look at Toronto. Mayor Mayor Olivia Chow has been in talks with business leaders to bring employees back into the office. This initiative could have several implications for organizations operating in the area, but could this initiative spill into new requirements for the legal industry as well? To embody proactive adaptability and align with the five-star firm standards, law firm managers can consider taking several strategic steps:

1. **Invest in Flexible Infrastructure:** Build and maintain an adaptable infrastructure that supports both in-office and remote work environments. Invest in scalable technology solutions, flexible workspace designs, and agile operational processes that can swiftly adjust to changing circumstances.
2. **Build Strategic Partnerships:** Collaborate with technology providers, industry experts, and strategic partners to leverage external expertise and stay ahead of industry trends. Form alliances that provide access to specialized resources, knowledge, and capabilities that complement the firm's strengths.
3. **Empower and Educate Employees:** Invest in ongoing training and professional development programs to equip staff with the skills and knowledge needed to adapt to evolving industry demands. Encourage continuous learning and empower employees to contribute to the firm's adaptability efforts.
4. **Embrace Innovation:** Foster a culture of innovation within the firm by encouraging creative thinking, experimentation with new ideas, and continuous improvement in processes and service delivery. Embrace technological innovations that enhance efficiency, client engagement, and operational effectiveness.

WHAT WE DO

Purpose Built for Your Organization



Want to see how it works?

Book a Call

Tracument is a web-based platform that centralizes and automates the process of sending, receiving, and collecting documents. We can improve morale and reduce human error. Our platform saves considerable time and material cost while increasing cost recovery revenue for your firm. In 2022, **65.22% of all respondents who gave their firm five stars use Tracument in their practice.**

Over the past two decades, most firms have moved to store documents paperlessly, however, their methods of sending and receiving documents have lagged behind with very little progress-sensitive material is still emailed, CDs with images are even now written and couriered, faxes are still sent with confirmations still printed, and mail output requires an expensive mailroom or reception station. These methods are inefficient and outdated, but until now were the best available.

You can even outsource time-consuming functions like collecting third-party records to Tracument, saving your firm enormous amounts of time and turning non-revenue-producing staff time into a disbursement.

Additionally, if your staff are working from home, they lose access to many of these office services, making Tracument absolutely vital. 13.68% of respondents called Tracument the most useful software in their office before the pandemic. **During the pandemic, this number rose to 38.22%--more than any other software listed.** Give your staff the tools they need to work from home effectively, and increase their productivity significantly wherever they are located.