

INVESTMENT, NOT COST

THE BUSINESS CASE FOR
A WELLBEING STRATEGY





Why law firms need a wellbeing strategy

More law firms are talking about wellbeing. But for many, it can be difficult to recognise the benefits of a happy and healthy workforce. Here, we've set out the financial impact of poor wellbeing, showing how investing in a comprehensive wellbeing strategy can foster a thriving and profitable firm. We also describe a three-pillar framework to promote wellbeing at work, and offer practical guidance to help firms overcome resistance to change.

Wellbeing in the legal sector

Wellbeing continues to pose a challenge to the legal sector. Long hours, demanding clients, and high-stakes cases are a frequent driver of work-related stress. Meanwhile, issues such as a lack of supervision, inadequate management training, and inefficient delegation of work impose an additional burden on lawyers.

The impact of poor wellbeing is severe. More than two-thirds (69%) of respondents to Law Care's Life in the Law survey, published in 2021, stated that they had experienced mental ill-health over the preceding 12 months. Most common experiences of mental ill-health included anxiety, low mood, and depression. Legal professionals were also found to be at high risk of burnout.

The financial impact of poor wellbeing

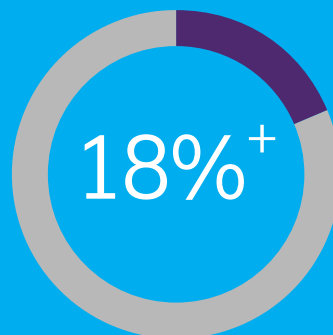
Law firms have an ethical and moral imperative to safeguard employees' wellbeing and create a healthy working environment. But poor wellbeing doesn't just affect lawyers. For firms themselves, the financial impacts are stark. Poor wellbeing can reduce productivity and diminish the quality of legal work, with knock-on consequences for client service, risk management, and firms' long-term growth.

In parallel, the legal sector is coming under growing scrutiny when it comes to wellbeing. Regulators are looking closely at issues including workplace culture, and are looking at ways to support law firms to create safe and healthy working environments for their staff.



£26k⁺

The estimated loss per average headcount due to poor wellbeing



The amount of work time, on average, that is negatively affected by poor mental health

Source: Unmind, [The State of Wellbeing in Law 2024](#). Figures converted from USD.

The case for investment

A firm's greatest asset is its people. However, many firms are reluctant to spend when it comes to wellbeing, viewing it as an unnecessary cost or luxury that doesn't drive profits.

In fact, meaningful investment to support and promote wellbeing across the sector can bring tangible financial benefits. Not only can it reduce the effects of poor mental health, but it can also deliver meaningful results for firms in the shape of reduced professional liability and people risks, and an improved bottom-line.

The benefits of investing in wellbeing include:



Reduced errors and omissions

Stress, burnout, and untreated mental health conditions can impair judgment, increase errors, and lead to professional negligence claims. Investing in wellbeing can reduce these risks by fostering a healthier and more focused workforce.



Increased billable hours and efficiency

Wellbeing initiatives can improve focus, reduce absenteeism, and lead to more productive and efficient work habits, ultimately increasing billable hours and revenue. Firms will also reduce the internal cost of responding to complaints, which typically diverts lawyers away from fee-earning work.



Stronger client communication and service

Wellbeing initiatives can lead to better communication, increased empathy, and improved client interactions. This can reduce the likelihood of misunderstandings and disputes that could result in liability claims.



Reputation and client trust

A firm's reputation for ethical conduct and employee wellbeing can influence client decisions. A supportive and healthy work environment strengthens existing and potential client relationships, enhancing business development efforts.



Improved legal and compliance risk

Wellbeing-related problems can give rise to legal liabilities such as workplace discrimination claims, disability accommodations, or failure to provide a safe working environment, creating a compliance risk.



Reduced staff turnover

High turnover rates can lead to inexperienced staff handling complex legal matters, increasing the risk of errors. A positive and supportive work environment can improve staff retention and reduce these risks.



Attract and retain top legal talent

In a competitive legal market, firms with strong wellbeing programs are more likely to attract and retain high-quality lawyers. This reduces recruitment and training costs while ensuring a highly skilled workforce.



Diversity, equity, and inclusion

Embracing a culture of wellbeing fosters a more inclusive environment for all individuals, regardless of their background or personal challenges. This aligns with the legal profession's commitment to diversity and equal opportunities.



Lower insurance premiums

Many employee benefits insurers may take a positive view of the risk, or offer favourable terms for employee benefits packages, when underwriting firms who take demonstrable steps to improve their people's wellbeing.



Three pillars to address workplace wellbeing

Wellbeing in the legal sector is within reach. The World Health Organisation (WHO)'s Mental Health at Work policy briefing introduces a three-pillar framework for employers to create a safe and healthy environment at work. This consists of:



1. Prevent

Prevent exposure
to psychosocial risks
(risks to mental health)
at work



2. Protect and promote

Protect and promote
mental health and
wellbeing at work



3. Support

Support people with
mental health conditions
to participate in and
thrive at work

1. To prevent exposure to psychosocial risks at work:

Set reasonable workloads

Implement policies and systems to promote reasonable workloads and prevent burnout. Managers should communicate their expectations clearly, discourage overworking, and receive training on delegation strategies. Employees should be supported to develop time management skills. If necessary, revisit reporting lines to prevent workload overloading and clarify responsibilities. Identify and resolve understaffing issues where they arise.



Offer flexible work arrangements

This may include remote or hybrid working arrangements, adjusted or flexible hours, or compressed working weeks. This can provide employees with greater control over their schedules, improve work-life balance, and reduce stress.

Prevent social or physical isolation

Regularly check in on employees' wellbeing, whether in the office or working remotely. Schedule activities to develop interpersonal relationships at work, foster team cohesion, and create opportunities for peer support.



Encourage time away from work

For example, employers could incentivise employees to utilise their provided annual leave, and ensure there is appropriate cover for their workload. This will help to promote a better work-life balance.

Enable job design and control

Take a participatory approach to job design, or consider forms of job rotation – especially for necessary but undesirable tasks. Where possible, consider technology or software solutions to eliminate menial responsibilities. Encourage open communication between managers and employees about jobs and job satisfaction.



Provide supervision and mentoring

By providing structured forms of supervision, law firms can ensure junior solicitors are adequately equipped to handle tasks. Meanwhile, informal mentorship can help trainees to adapt to the specific culture of their firm.

Encourage transparency

Mistakes happen, but most can be fixed. Creating a culture of psychological safety in which it's safe to speak up, and encouraging junior colleagues to report errors immediately, means the problem can be fixed quickly, reducing feelings of stress. The law firm will also be less likely to suffer financial or reputational damage due to an unresolved mistake.



2. To protect and promote wellbeing at work:

Train managers to recognise signs of poor wellbeing

Managers often fall into managerial roles accidentally, as a result of strong performance in their daily tasks. But many do not receive the appropriate managerial training. This should include training to recognise and respond appropriately to mental health issues in their supervisees, and a focus on developing interpersonal skills, including active listening. Managers should also be encouraged to take an active role in promoting positive wellbeing from the top down.



Improve mental health literacy

All staff, including partners, should be educated on mental health awareness, stress management, and recognising the signs of burnout in others and themselves. Doing so can reduce stigma around mental health and encourage help-seeking behaviour.

Be a role model

Managers should set an example for junior colleagues and other managers when it comes to prioritising their own wellbeing and mental health.



Provide access to mental health services

Employee benefits packages often include options for mental health coverage. This can provide employees with access to a range of relevant services, including therapy sessions, confidential counselling, and psychiatric care.

Implement digital self-help tools

A popular intervention for employers that can be easily delivered to employees to help them manage their own stress and mental health. This should always be accompanied by a broader package of interventions.



Communicate the help available

To be most effective in tackling poor wellbeing, employees need to be aware of the tools at their disposal. Ensure interventions are accompanied with a thought-out communications plan, clearly explaining the support and resources on offer, and how employees can take advantage of them.

3. To support people with mental health conditions at work:

Introduce reasonable accommodations

This includes giving workers flexible working hours, extra time to complete tasks, reduced caseloads, and time off for mental health care. Private spaces, such as places to store medication or rest, may also help employees to cope with the symptoms of poor wellbeing. Regular meetings may be required with supervisors, or jobs redesigned to give further support i.e. to avoid particularly stressful scenarios.



Offer return-to-work programmes

Develop supportive return-to-work programmes for employees returning from mental health-related leaves of absence. These should combine care in the form of reasonable accommodations or phased returns to work, alongside ongoing clinical care to support workers and reduce symptoms of mental health conditions.

Provide access to disability insurance

Short-term and long-term disability insurance covers mental health conditions and offers graduated return-to-work programmes. These are available through many employee benefit packages.



Financial assistance to support wellbeing

Employee benefit packages may provide financial assistance to cover the cost of reasonable accommodations, such as ergonomic equipment to enable hybrid or flexible working, assistive technology, or modified work schedules.



Creating an enabling environment to improve mental health

Investment is critical if law firms are to realise these strategies. But to be most effective, firms must create an environment for mental health improvements to take root. These include:



Leadership

This should come from the top down, with partners championing the wellbeing strategy, demonstrating their commitment through visible actions and allocation of resources.



Integration

Incorporating mental health into existing occupational safety and health (OSH) management, alongside a programme of targeted interventions for the organisation, managers, and employees.



Culture

Prioritising open communication, in which employees feel comfortable discussing mental health concerns without fear of stigma or negative career consequences.



Participation

Engaging workers and people with lived experience in decision-making about mental health at work.



Evidence

Through regular collection of data on employee wellbeing, and tracking the impact of initiatives to drive continuous improvements.



Compliance

With evidence-based laws, regulations, and recommendations.

Objection handling

Change isn't easy to implement. Objections to investing in wellbeing are commonplace, from the perceived cost of investment to the practical challenges of implementation.

Below, we've compiled a list of practical strategies for firms to overcome objections around wellbeing:

Strategy	Impact
Baseline surveys	Surveys are conducted before and after mental health training sessions. These can assess changes in employee wellbeing, stress levels, and workplace satisfaction.
Performance metrics	Link mental health improvements to key business performance indicators like absenteeism, productivity, employee turnover, financial performance, and customer satisfaction scores. By tracking these metrics over time, firms can demonstrate the impact of improved mental health.
Pilot programmes	If there is strong resistance, propose starting with a small pilot program that focuses on wellbeing and the people risks you are looking to address, then measure its success. This allows sceptical stakeholders to see the tangible benefits without making a large-scale commitment. Once the pilot proves successful, gradually expand the approach to other teams or areas of the business.
Incremental change	Begin with small, easily implementable initiatives (e.g. flexible working hours, mental health days, wellness programmes) and demonstrate their immediate impact.
Cross-functional partnership	Leaders in HR and Risk Management should collaborate to present a unified message about the benefits of placing your people's wellbeing and professional development first. This can help address concerns from different perspectives and increase buy-in from leadership. Risk Management teams can offer data-driven insights on how mental health issues have led to past claims, operational disruptions, or regulatory penalties. This can help to quantify the financial and operational risks posed by ignoring mental health. HR can provide knowledge about employee engagement, support services, and wellbeing trends, and how these can help mitigate the firm's people risks, whilst providing valuable support to people.
Research-based evidence and trends	Draw on research and other resources that show a strong correlation between mental health education and improved workplace performance, retention, and client satisfaction. Highlight external trends that emphasise employee wellbeing, such as the growing importance of mental health in high-performance industries.
Success stories	Use your own experience as a proven example. Highlight specific cases where your leadership style led to excellent client outcomes, employee satisfaction, and financial success. Provide testimonials from both employees and clients who have benefited from your people-first approach. These personal accounts will add credibility and show how leading with kindness positively impacts all stakeholders.
Senior backing	Seeking the public support of key decision makers and senior figures, particularly those sympathetic to the importance of wellbeing and mental health, can help to accelerate progress and achieve business-wide support.
Long-term vision	Present a long-term vision that shows how these practices can be scaled and embedded into the firm's culture for lasting success.
Insurer partnerships	While there may be initial costs to setting up mental health programmes, insurers can help the client see it as a long-term investment in risk reduction. Insurers can help to position mental health support as a preventative measure that lowers the likelihood of large liability payouts. They may also offer tools to reduce the perceived cost burden, such as discounted partnerships with third-party mental health providers, wellness platforms, or employee assistance programmes.
Third-party partnerships	Third-party partnerships can help firms to identify problems, devise solutions, and build a stronger case for wellbeing support and investment. Specialist consultancies with legal sector expertise (e.g. Feel Good) can also provide additional resources to educate staff and key decision makers around the importance of wellbeing and mental health.

Looking for more support?

Lockton is here to help. If you have any questions or would like to know more about how we can support your business, [please get in touch](#).

How law firms can build healthy performance cultures that work for the business and for their people.

Feel Good's 'Reasons to be Radical' podcast series seeks to prove that prioritising good mental health in law firms is good for business. Hosted by Feel Good, a global wellbeing and mental health consultancy with 10+ years of experience in supporting professional and financial services firms to create Healthy Performance Cultures. In partnership with Lockton, this series combines big ideas with practical strategies to drive lasting change for firms and their people.



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