

### **Thomson Reuters Institute**

# 2024 Canadian Government Lawyers Benchmark Report



## Executive summary

Lawyers within the Canadian government generally view their organizations as successful but not without myriad challenges to confront in the future. While steps have been taken to address many of the challenges related to the shifts in ways of working that have arisen over the past few years, other, perhaps more pervasive problems remain. Confronting those

challenges will be the work of the next few years as government lawyers try to balance completing their work, meeting their budgets, and protecting their worklife balance and attorney mental health, all amid the specter of what technological advancements like generative artificial intelligence (Gen AI) might mean for how legal work within the government (and everywhere else) is done.

The challenge going forward for Canadian government legal departments will be to find ways to balance the needs of managing ever-increasing workflows while meeting the mental health and well-being needs of departments' lawyers.

Pandemic-related disruptions dramatically changed how and where legal work is conducted, how colleagues interact with each other, and much more. Even as the challenges of the pandemic recede, government agencies are continuing to adjust, seeking the proper balance of return-to-office strategies with remote and hybrid working arrangements. In addition, these agencies are dealing with familiar challenges such as improving efficiency and how best to incorporate technology, including rapidly emerging AI tools.

This inaugural Canadian Government Lawyers Benchmark report, based on a survey of such lawyers, will examine how government lawyers in Canada evaluate and measure the success of their departments, how they assess their department's goals for the future, risks, and challenges, and how their organizations are preparing for the opportunities and hurdles that lie ahead.

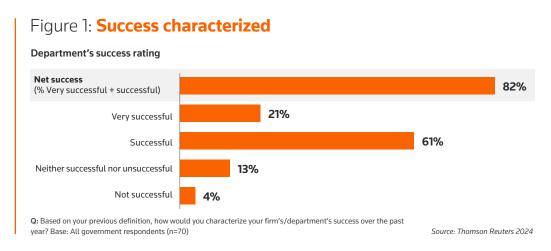
#### **Key findings:**

- Canadian government lawyers overwhelmingly consider their departments to be successful.
- Department reputation and client satisfaction are considered the most important measures of success.
- Managing mental health issues is considered the top challenge for government lawyers.
- Other major challenges arise from trying to attract and retain top talent, spending too much time on administrative tasks, and the increasing pace of legal and regulatory change.
- For many of the top challenges, departments often are not measuring, planning, or taking action to address the challenges. Several key components of how these departments define success are not being tracked through any sort of metric, making improvement difficult to measure and manage.

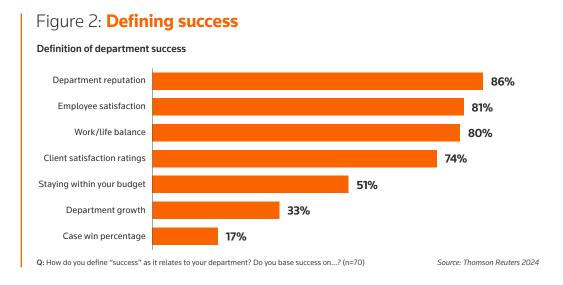
#### Methodology

The findings in this report are derived from a survey of 70 lawyers working in government agencies across Canada. The survey was conducted in October 2023.

# How successful government lawyers consider their department



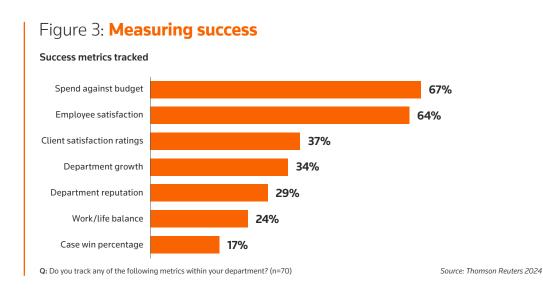
Canadian government lawyers overwhelmingly feel their organization is successful. More than eight in ten (82%) consider their department to be either successful or very successful, with 61% rating it successful and 21% rating it very successful.



To understand why they view their departments as successful, we must understand how these lawyers define success. Department reputation, employee satisfaction, work-life balance, and client satisfaction ratings are by far the most frequently cited factors. Also noted was the focus placed on staying within budget, even though it ranks much lower relative to some other factors.

This also begs a question regarding how these factors — particularly the more often-cited subjective measures around reputation, satisfaction, and balance — are tracked.

## Measuring success, sharpening the focus



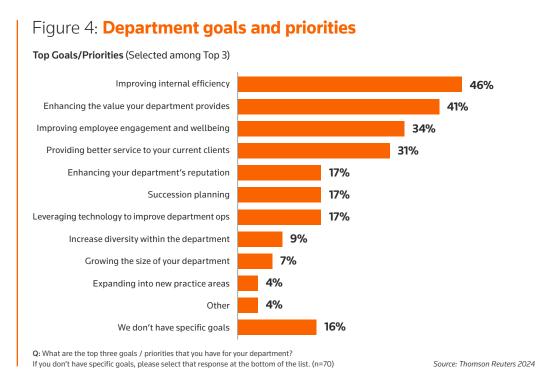
Here there is a clear divide between what lawyers consider to be important measures of success for their department and what is actually measured.

Where department reputation was included in the definition of success for 86% of respondents, only 29% reported tracking it. The same holds true for nearly every other metric with wide gaps showing between those respondents who said a certain metric was part of how they define success and those who report actually tracking it. The one notable exception related to budgets. While slightly more than half (51%) of respondents said that they include staying within budget as part of how they define success, two-thirds (67%) report tracking budgets through metrics, making budgets the top metric tracked by Canadian government lawyers.

A popular organizational management adage holds that what doesn't get measured doesn't get managed. So, when factors are named by a strong majority of lawyers as indicators of success, but those factors are not tracked by their department, it can make it difficult — if not impossible — to measure progress towards making or keeping the department successful. Indeed, effective management depends on measuring progress and identifying areas that need additional attention.

Government department leaders looking to improve in key areas like employee satisfaction, staff mental health, work-life balance, and department reputation should look to build more robust systems of metrics to actually track the success of their departments. This will help to gauge their department's progress not only with regard to how it defines success, but also toward its stated goals and priorities.

### Goals and priorities



Canadian government lawyers have identified four top goals for their departments: Improving internal efficiency; enhancing the value that their agency or department provides; improving employee engagement and well-being; and providing better service to current clients.

Improving internal efficiency is clearly a top goal, cited by nearly half (46%) of lawyers. Enhancing the value (41%), improving employee engagement and well-being (34%), and providing better service to current clients (31%) were also among the most frequently mentioned goals, with a large gap between these four goals and the rest that were cited.

At the same time, more than one out of every eight lawyers (16%) feel that their department lacks specific goals. This may indicate that some departments either lack clear goals or are not adequately communicating or prioritizing those goals. It may be beneficial for departments to consider conducting employee surveys or audits — either as a standalone practice or as part of routine employee review or feedback sessions — to determine how clearly goals are understood throughout the department. It will also be interesting to see if future versions of this report will show that some of these goals, such as improving efficiency, begin to show up in how these departments define success.

There is also a sharp focus being placed on attorney mental health within the Canadian legal community, so watching progress on the stated goal of improving employee well-being will be instructive on how effectively government lawyers feel their employers are addressing these concerns.

# Mental health and well-being challenges are top of mind for lawyers



#### **Mental Health Challenges**

Challenges related to mental health issues stand out among the top challenges reported by Canadian government lawyers. Lawyers view managing mental issues as the number one challenge, mentioned by 83% of government lawyers as being a moderate or significant challenge. Following closely behind is attracting and retaining top talent, cited by 81% of lawyers. These two challenges are closely related to each other.

As mentioned earlier, improving employee engagement and well-being is ranked as the third most important goal by lawyers for their respective organizations. More than one-third (34%) of Canadian government lawyers rate this as a top priority — double the rate of lawyers in private law firm practice.<sup>2</sup> This suggests that many lawyers may seek or prefer working for government agencies or departments because they view the work environment as being more accommodating and conducive for lawyers who seek strong engagement with their work and place an emphasis on employee well-being.

<sup>1</sup> See Figure 4.

<sup>2</sup> See 2024 State of the Canadian Legal Market, available at https://www.thomsonreuters.com/en-us/posts/legal/canadian-legal-market-2024.

Department leaders need to keep this in mind. While it is encouraging that 64% of departments do track employee satisfaction, indicating that managing employee satisfaction is a priority, they need to maintain that focus. Keeping lawyers engaged and feeling that their well-being is important to the organization can lead to improved productivity, as well as more successful retention and recruiting.

#### **Other Challenges**

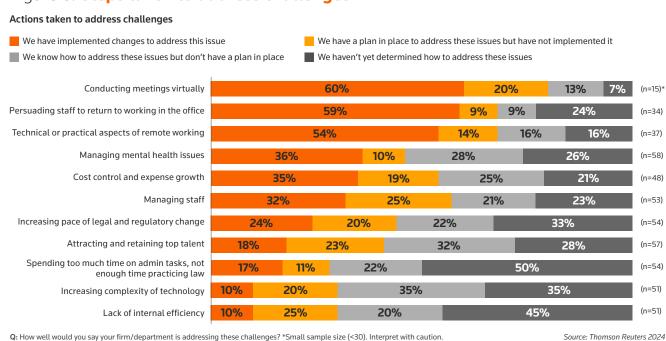
Other top challenges involve workflow concerns, including spending too much time on administrative tasks and not enough time practicing law (cited by 77% of respondents) and managing staff (76%). This latter suggests lawyers may be concerned about the level of staff support which can impact their work output and productivity. On a related note, almost half of government lawyers (49%) say that persuading staff to return to working in the office is currently a moderate or significant challenge. Taken together, these responses may indicate the need for improved management and staffing levels to ensure that all lawyers feel they have the support they need to perform their responsibilities both effectively and efficiently.

As mentioned earlier, improving internal efficiency is viewed as the number one priority for departments and agencies, and having adequate support resources can play a key role in reaching that goal.

# Addressing challenges

Earlier, it was mentioned that what are viewed as the top challenges for Canadian government departments do not always match with what gets measured by those departments. Similarly, there appears to be a disconnect between what government lawyers identify as challenges for their departments and what has actually been done to address those challenges.





Among those respondents who identified challenges in certain areas, it seems that the challenges most readily addressed are the ones related to how work is done — in other words, lower-hanging fruit that everyone has had to overcome in some fashion over the past few years.

In other, more difficult areas, government departments are failing to plan and implement action steps. For example, increasing internal efficiency is viewed as the top goal by government lawyers, and lack of internal efficiency ranks as the third-highest challenge for departments. However, only 10% of departments have implemented changes to improve efficiency.

Similarly, spending too much time on administrative tasks and not enough time practicing law was the third-highest ranked challenge for departments. And yet 83% of the departments that identified this challenge have not taken any steps to address it. Some 11% report having a plan, but one which department leaders have not yet implemented, which essentially equates to (again) not yet taking steps to address the problem. More worrisome, half of respondents said their departments have not yet even determined how to address the issue.

The disconnect is smaller in other areas. Fully two-thirds of departments have either implemented steps or at least have developed a plan to persuade staff to return to work in the office. Additionally, a majority have made similar moves to improve managing of staff.

Cost control and expense growth is another top challenge in which departments have made progress. More than one-third (35%) have implemented steps to address cost control and expense growth, and a majority (54%) have either implemented steps or at least developed a plan in that area.

# Managing mental health as a component of talent management

On the important issue of managing mental health issues and preventing stress and burnout among department lawyers, there is both progress as well as the need for much more to be done. One encouraging development is that more than one-third of departments (36%) have implemented measures to address mental health issues.3 At the same time, however, the remaining two-thirds (64%) are lagging. Only 10% of lawyers identifying managing mental health as challenge said their departments have a plan waiting in the wings while more than half of those who said this is a problem have yet to develop a plan.4

As we have previously discussed, attracting and retaining top talent is viewed by government lawyers as one of the top challenges. 5 Attracting and retaining talent, in fact, is of greater concern to government lawyers than lawyers in private practice. A large majority (81%) of government lawyers said they consider attracting and retaining top talent a moderate or significant challenge compared with 59% of law firm lawyers. 6 What effect higher compensation levels offered by many law firms may have in recruiting challenges for government agencies wasn't analyzed in this report. However, what is clear is that government lawyers are twice as likely as private practice lawyers to consider employee engagement and well-being as a top goal for their organization, with 34% of government lawyers rating this as a top-three goal, compared to 17% of law firm lawyers. This suggests that government lawyers place higher importance on those factors than do lawyers employed by law firms.

Managing and improving employee mental health and well-being is a critical component of attracting and retaining talent. If government departments are able to demonstrate that they value employee engagement and well-being, and have effective strategies to incorporate those values, it may yield significant benefits in recruiting and retention.

This may be particularly important as concerns rise about lawyer mental health across the profession. In 2022, the Canadian Bar Association, in partnership with the Federation of Law Societies of Canada and the Université de Sherbrooke, conducted the first comprehensive national study of the wellness of Canadian legal professionals, The National Study on the Psychological Health Determinants of Legal Professionals in Canada.8 The report found that legal professionals in all areas of practice and in all jurisdictions suffer from significant

<sup>3</sup> See Figure 6.

<sup>5</sup> See Figure 5.

<sup>6</sup> See 2024 State of the Canadian Legal Market Report at https://www.thomsonreuters.com/en-us/posts/legal/canadian-legal-market-2024

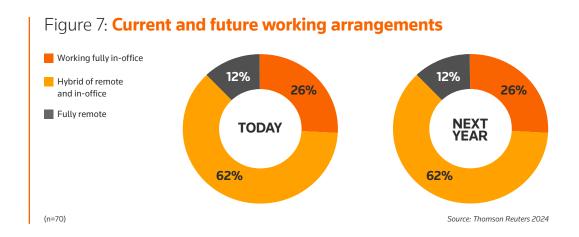
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levels of psychological distress, depression, anxiety, burnout, and suicidal ideation. Higher rates of distress were prevalent among lawyers in the early years of practice as well as those from traditionally under-represented groups, such as women, ethnic minorities, and the 2SLGBTQQIA communities.

The concern over attorney well-being is real and vital. It is encouraging that lawyers within the Canadian government are recognizing this and that many have begun to take steps to address what is an increasingly recognized gap. However, more remains to be done — and for Canadian government agencies to compete with the substantially higher compensation offered by law firms, the ability to promote a greater focus on well-being and work-life balance could provide a substantial competitive advantage in terms of attracting and retaining talent.

# Returning to the office

For the most part, government law departments in Canada are making progress in persuading staff to return to the office, and the majority of departments (59%) have implemented measures to do so. Only one-third of departments still do not have a plan or have not determined how to address the issue.9

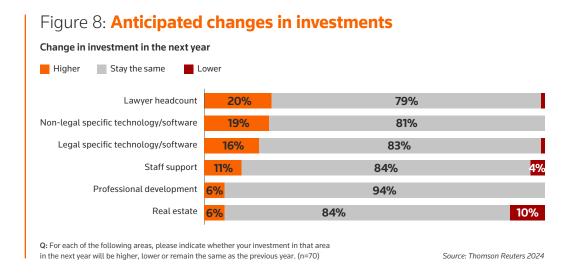


Currently, the majority of government lawyers (62%) are working in a hybrid combination of in-office and remote work. Meanwhile, 26% are working fully in-office, and only 12% are working fully remotely. Lawyers do not anticipate changes in the coming year, suggesting that working arrangements going forward may continue to resemble current patterns. Prior to the pandemic, by comparison, 82% of lawyers worked fully in-office, 12% worked hybrid, and only 6% worked fully remotely.

<sup>9</sup> See Figure 6.

# Can technology investments help address efficiency & cost goals?

With improving internal efficiency as the clear top goal and enhancing the value that the department provides ranked number two, some departments are looking to technology to help meet those goals.



About one-in-five departments (19%) are planning to increase use of non-legal technology and software, while nearly as many (16%) are planning to do the same with legal-specific technology and software. Less than 1% are planning decreases in those areas, meaning nearly all departments will be spending the same amount or more over the next year.

Some of this investment will go toward departments' existing tech stack, which includes common use of electronic signatures, legal research technology, document management, and collaboration tools.

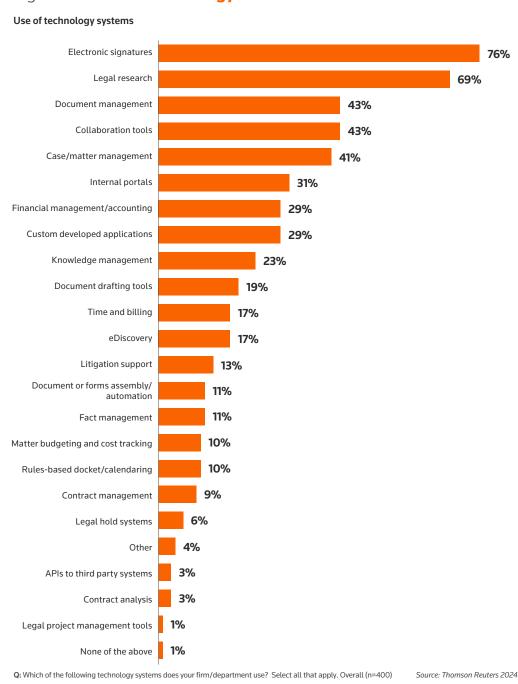
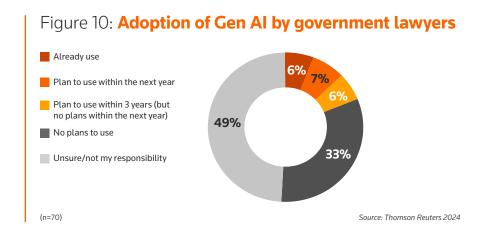


Figure 9: Current technology use

Among these technology tools, there are also plans among some departments to add to their tech capabilities in the coming year, although such plans are relatively rare. Roughly 10% of respondents said they plan to implement document management tech in the next year. Other more common technologies on the list for implementation were legal research and electronic signatures, as well as custom-developed applications, with between 6% and 9% of respondents reporting plans for each. The other items on the list were all cited as planned for the coming year by less than 5% of respondents.

# The rapid emergence of artificial intelligence

Of course, the evolution of technology is not limited to those items included in the list in Figure 9. Perhaps the most talked about area of technological change is generative AI (Gen AI).



Despite all the attention recently devoted to Gen AI, only 6% of government lawyers say they are currently using Gen AI in their work, and only an additional 13% say they plan to use it within the next three years. One-third of respondents (33%) say their department currently has no plans to use it, and nearly half of government lawyers say they are unsure if or when they may start using Gen AI or that its use is not their responsibility, meaning it will be up to department leaders to decide. However, about one-in-six lawyers are open to using Gen AI if it is incorporated into legal technology products or services that they are currently using.

It is worth noting that these statistics place Canadian government lawyers well behind their law firm counterparts. Among law firm lawyers, 26% report already using Gen Al today, with another 12% saying they plan to do so in the next year. Moving toward emerging technologies may help government agencies with their challenge of attracting new talent.

However, the reasons given that are driving the current low level of adoption may produce some significant headwinds. For example, government lawyers are currently unsure whether the rise of Gen AI will have a positive impact. Almost half (47%) of respondents said they are unsure whether Gen AI will help or hinder their department, while 14% say they believe it will be a hindrance. By comparison, only 39% stated that they feel the tech will help their department.

However, that does not mean that government lawyers are in fear for their jobs. Only 17% feel AI will cause specific jobs to become obsolete within the next five years, and roughly one-quarter said they feel it will substantially change the scope of existing jobs within their department. This is consistent with findings of the Future of Professionals Report from the Thomson Reuters Institute, 11 which showed that professionals in the legal and other professional services fields expressed the belief that AI is unlikely to lead to significant job changes, at least for the near future.

It is encouraging that nearly as many respondents expect Gen AI to create new jobs within their departments as expect it to render specific jobs obsolete (14% compared to 17%). However, the high degree of uncertainty around job creation, elimination, and evolution which exceeds 40% in each category — could cause a fair degree of hesitation for lawyers within the government around Gen Al's use. Even if they do not have a particularly dour view of the future potential for Gen AI, lawyers are notorious for their aversion to unknown risks. In fact, Gen AI holds worlds of potential, not only for the legal industry but for society generally.

<sup>11</sup> Available at https://www.thomsonreuters.com/en/campaigns/future-of-professionals.html.

### Conclusion

Government lawyers overwhelmingly feel that their departments are successful, but any continued success requires diligence and focus.

While learning to better manage both the pace of legal and regulatory changes, as well as administrative tasks that can diminish valuable time available for practicing law are among the top challenges identified by lawyers, workforce issues such as lawyer mental health and

Government lawyers are currently unsure whether the rise of Gen AI will have a positive impact.

recruiting and retention are clearly also top of mind for today's government lawyers.

The challenge going forward for Canadian government legal departments will be to find ways to balance the needs of managing ever-increasing workflows while meeting the mental health and well-being needs of departments' lawyers.

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