

Firm Chiefs Say Diversity Starts With Talent Pipeline

By **Aebra Coe**

Law360 (December 19, 2018, 3:45 PM EST) -- Law firm leaders opened up during recent interviews with Law360 on the legal industry's sluggish and in some cases stalled progress on diversity over the past decade, pointing to a number of ways they can do better, including by placing more focus on the pipeline for diverse talent.

Research by Law360 for its annual Glass Ceiling Report and Diversity Snapshot has demonstrated that representation of women and minorities in law firms has barely budged in recent years. Even as more than half of law school students are women and 20 percent are minorities, just 21 percent and 8 percent, respectively, of law firm equity partners are among those groups.

Law firms have implemented numerous programs dedicated to creating more diverse and inclusive workplaces — signing pledges, joining initiatives, forming affinity groups and appointing chief diversity officers. But it appears those efforts have not yet paid off as much as many had hoped in terms of large strides on diversity at the partnership level.

“There’s been a great deal of focus on increasing diversity within the legal industry, and I think what we’re discovering is that stand-alone diversity initiatives, which focus solely on numbers, really don’t advance the ball,” Morgan Lewis & Bockius LLP chair Jami Wintz McKeon said.

Fixing the Talent Pipeline

One of the challenges faced by law firms as they look to escape the diversity rut is that the pipeline for talent is broken early on in the pipe, according to Irell & Manella LLP managing partner Ellisen Turner. Meaning, a disproportionate number of candidates in the pool of applicants from which large law firms draw are not diverse.

“When you think of BigLaw firms that all pride themselves on recruiting the best law students from the best law schools, that means that we’re just all competing for the same small set of people. The focus should be on expanding the group of people instead of competing for the same,” Turner said.

Doing that will not be easy, he added. Law firms will have to leverage their time, money and clout to influence the career paths of young people by putting pressure on the schools they recruit from to be more inclusive and on legislators to push back on efforts to remove diversity as a component from what schools can consider, and sending lawyers out to middle schools and high schools to talk about what a

legal career has to offer.

“It takes more than having an inward focus on your organization. It takes a commitment to society as a whole,” he said. “The same rigor and passion that many firms put into their pro bono legal services, they need to put into this issue. We can all do a little better to think more broadly about the efforts we’re making.”

Greenberg Traurig LLP CEO Brian Duffy said that the diversity rut continues through an attorney’s years as an associate, with attrition being a major obstacle that must be overcome.

“To me, that’s a sponsorship issue and more of an inclusion issue,” Duffy said. “It’s saying, ‘You’re welcome here, this is a place where you can achieve your dreams, here’s how you can do it, here are the mentors and sponsors who will get you there.’ To me, that’s been the piece we need to work on, both Greenberg Traurig and the profession.”

Diversity consultant to law firms Sharon Jones agreed that diversity in the talent pipeline needs to be augmented, but pointed out that nearly a third of all law school graduates are minorities, indicating that retention may be “the real challenge.”

“Many large firms hire near the graduation rate but don’t retain the students, so they don’t make progress over time,” Jones explained. “That is the same problem that is seen with respect to women graduates.”

Prioritizing Diverse Leadership

In order to create an atmosphere in which diversity can flourish, young attorneys must also be able to see diverse attorneys who came before them who were able to succeed in their law firms and rise to the top leadership tiers, law firm leaders said.

According to McGuireWoods LLP managing partner Tracy Walker, his law firm operates through a department structure, and approximately a quarter of its department chairs are attorneys of color and 35 percent are women.

“We think that is real progress, and we think having these lawyers in leadership positions will allow them to pull up other people behind them and we’ll see acceleration in our ranks of diverse lawyers being leaders and being equity partners and the like,” Walker said.

McKeon said her firm considers diversity and a commitment to diversity when selecting its leadership, and also focuses on creating term limits so that more people have the opportunity to lead.

“We want to make sure we’re expanding opportunities for everyone and that we’re not just looking for cookie cutters, somebody who’s just like the person that had the job beforehand,” she said.

Diversity in leadership is also vital because it provides additional perspectives during the decision-making process, according to Schiff Hardin LLP managing partner Marci Eisenstein.

“Take our executive committee: Four of our seven members are diverse — two are women, two are minorities. One of those four also happens to be gay,” Eisenstein said. “So when the majority of the body that leads the firm presents a diverse profile, I think people are not only imagining the possibilities,

they're seeing the realities. And then the diversity of perspectives that we bring to our decisions and firm culture becomes part of everything we do; it becomes part of the fabric of our firm."

Going Above and Beyond

Rather than focusing solely on numbers, McKeon suggests that law firms instead incorporate into every aspect of law firm life a commitment to having broad, diverse and inclusive teams.

"It's really an issue of creating an environment where everyone is welcomed and has the ability to succeed," she said.

The commitment to advancing diversity in law firms must also include a significant financial investment in order to be most effective, according to DLA Piper global co-chairman Roger Meltzer.

"It's important to everyone, but the question is, How much of your priority investment dollars or investment thinking or political capital are you prepared to [invest]? And that'll make all the difference in the world," Meltzer said.

Mintz Levin Cohn Ferris Glovsky and Popeo PC managing partner Bob Bodian agrees that the industry needs to be more aggressive and "proactive" to make real strides on the diversity within large law firms.

Making progress takes a lot of thought and effort that is not always immediately traceable to billing hours or getting business, he explained, even though it is important in the grand scheme of things for getting and serving business.

"It's less immediate," he said. "So I think the lack of immediacy for some people impacts the long-range outcome. Things that are bigger-picture that take a longer time are often harder to do because people tend to not focus on them as much as they should."

Is All of That Enough?

Investing more money in diversity efforts and taking the issue more seriously actually may not be the right answer because those things tend to lack specificity, according to Pat Gillette, a speaker and expert on gender diversity and equality in the workplace.

"Law firms have been addressing the lack of diversity for years by taking actions that have no impact and devoting hundreds of thousands of dollars to programs that look good but do not advance the ball," Gillette said.

She says meaningful changes law firms could make include succession planning for institutional clients so that diverse attorneys are included, monitoring lead lawyer assignments to ensure diverse attorneys are getting speaking roles and lead counsel responsibilities in major matters, and changing origination credit systems to avoid credit going to someone who hasn't worked with a client for years.

Additionally, law firms can reduce the emphasis on the billable hour as a way to measure performance, can measure achievement and reward partners with compensation for their efforts to increase diversity in the firm, and can make leadership advancement skill-based instead of having it be dependent on how much business someone brings in.

The responses from law firm leaders, according to Gillette? Not good enough.

“There are systemic changes that need to be made to truly increase diversity, because mentorship programs, training programs and policy changes have no impact without changes in the underlying systemic issues,” she said.

--Editing by Pamela Wilkinson and Alanna Weissman.

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