

Diversity in the Legal World - The Big Picture By BCG Attorney Search

Summary: Learn why diversity in the legal world is so important and how companies and law firms are encouraging diversity through new and upcoming diversity programs.

Diversity is not looked upon lightly in today's legal environment. In fact, many large law firm clients have made it a point to have the firms with whom they work diversify their staff. Many of these large companies send out surveys to law firms, asking about the type of diversity program they have in place. These large companies, which are usually represented by in-house counsel, ask the large firms who represent them how many women work within the firm, as well as minorities. If the company believes the law firm is diverse, then no problem. As to the law firm who isn't quite up to snuff with diversity, those guys might not only be missing out on new clients, there's a very good chance that firm might lose some of its existing clients.

Of course diversity and law firm life have historically been comrades and enemies. The hot and cold of diversity and law firm life is truly due to commitment, or a lack thereof. While prestigious law firms want to diversify themselves, that promise doesn't happen overnight. Diversity within a workplace takes recruiting, interviewing, hiring, and a successful onboarding process. Diversity also requires a strong commitment, especially from law firm managers.

See Law Firms' Continued Lack of Diversity: Scholars Provide Insight on Reasons and Solutions for more information.

Why is diversity in law firms so important?

The last thing a law firm needs is to appear biased. Whether your firm has a large corporate client who has striven for equal company representation among its employees, or a rich individual for whom diversity holds overwhelming social implications, law firm diversity can have much greater consequences even beyond its clients.

Companies with a strong amount of diversity tend to grow faster, be stronger financially and have staying power. Their brand image is, if anything, unbiased as their diversity brings many voices, faces and experiences to the table, making the entire firm that much more worldly.

Having a diverse staff in your law firm can initiate more business, particularly as today's emerging workforce, known as Millennials, also become today's business owners; many of whom demand diversity in their lives and business dealings.

Depending upon whether you have a foreign attorney on your staff, or at least one that speaks a language in addition to English, multi-national diversity might even help you net clients from other countries.

Honestly, when a law firm is diverse - whether it be through gender, ethnicity, sexual orientation or even nationally diverse, diversity in and of itself can open many worlds toward business that would have otherwise been closed if a law firm isn't diverse.

See Where Do Law Firms Stand When It Comes to Gender Equality? for more information.

Who are some of the companies that demand their law firms diversify?

According to Diversity Lab, which creates and experiments with innovative ways to close the gender gap and



boost diversity in law firms, legal departments, and banks, some of the nation's top law firm clients such as Facebook, AT&T, Bank of America and NBC Universal have made diversity requirements mandatory for any and all outside vendors these companies deal business with, including law firms.

Diversity Incentives/Requirements:

Facebook, for instance, requires that any outside counsel it consults with must have no less than 33% women and ethnic minorities on staff. Bristol-Myers Squibb established a mentoring program between legal department lawyers and diverse lawyers from four of the company's outside law firms that lasts an entire year. Once they complete this mentorship, these lawyers are also provided with executive coaching and guaranteed work on at least one Bristol-Myers Squibb legal issue during the year.

Other large American companies that have demanded their outside counsel become more diverse include: **MetLife:**Outside counsel must "make sure that the junior diverse talent has sponsorship among the senior lawyers and that they get the best coaching and nurturing they can provide." MetLife also requires at least one lawyer on each of the company's outside legal teams be a minority or female lawyer.

Microsoft:Microsoft offers 2% bonuses on the prior year's fees to its premier provider firms if they meet diversity goals. Additional bonuses are on the table for firms that hit other benchmarks, such as partner and management committee diversity, diversity of relationship partners, and diversity of partners who billed for Microsoft matters as reflected in the number of hours. Over the seven years since rolling out this program, Microsoft has increased the diversity of its outside counsel teams by more than 15%.

GE Capital Americas (GECA): Every two years, GECA GCs recommend diverse outside counsel, mostly diverse non-equity partners and associates from GECA approved firms, to participate in its Project HOLA program. Chosen outside lawyers are paired with in-house lawyers who volunteer to participate. The participating outside counsel has the opportunity to gain an insider view of GE's businesses and its legal team.

Home Depot:In an annual RFP to outside firms, the company requests diversity information, including asking firms to explain how they put diversity first. It examines the following in evaluating firms: whether the firms are looking at diverse slates when they are filling positions; that the firms ensure Home Depot is introduced to diverse attorneys as they decide how to staff company matters; that they make sure they are exposing the company to the full range of their talent; that they promote diverse lawyers; and that they generally support the company's efforts to ensure it has diverse suppliers. To the extent outside firms are using local counsel, court reporters, and other vendors, Home Depot expects firms to be mindful of the need to look broadly to bring in the best talent.

Coca-Cola:Beginning in 2007, the Coca-Cola Legal Division has bestowed the Living the Values Award to the law firm that best demonstrates its commitment to diversity with creative and innovative solutions that advance company goals. These solutions may include strides in hiring, retention, and promotion of diverse lawyers, initiatives that add value to its internal efforts, creative partnering arrangements with minority and women owned firms, and pipeline/community outreach initiatives.

Apple: Apple's diversity report indicates a global gender ratio with 30% female and 70% male employees. When broken down into roles specified as "tech," that ration changes to 80% male and 20% female. Apple's US employees are 55% white, 15% Asian, 11% Hispanic, 7% Black, 2% as two or more races, 1% other, and 9% undeclared.

Twitter: Twitter has roughly the same gender spread as Apple, which is 70% male and 30% female. While both genders are equally represented at 50% in "non-tech" jobs, the "tech" jobs at Twitter are 90% male and 10% female.

Yahoo: Marissa Mayer became CEO of Yahoo in 2012, making her the first female CEO of a high-profile tech brand. Yahoo's global workforce seems to be following suit as it has 62% male, 37% female, and 1% undisclosed. For "non-tech" jobs, Yahoo actually has more female employees than male. Yahoo reports that its US workforce was 50% white, 39% Asian, 4% Hispanic, 2% black, 2% two or more races, and 2% other or not disclosed.



eBay: eBay's boasts numbers of 42% female and 58% male, with its "tech" jobs split at 76% male and 24% female. eBay's "non-tech" jobs are only 1% off, in favor of male employees, from being even. US data shows eBay's workforce at 61% white, 24% Asian, 7% black, 5% Hispanic, 1% multi-ethnic, and 1% other. For "tech" jobs at eBay, 55% of employees are Asian and 40% are white, with numbers for both black and Hispanic employees hovering at 2%.

HP: Worldwide, HP's workforce was 32.5% female in 2013, with 25.6% of managers being female as well. In total, HP's US workforce is 71.5% white, 14.22% Asian, 6.9% black, 6.06% Hispanic, 0.74% two or more races, 0.48% Native American, and 0.10% Native Hawaiian or Pacific Islander. In 2013, HP announced Ascend, a sponsorship program for high-performing female employees, and a Women's Innovation Council. HP also partners with Leadership Education for Asian Pacifics (LEAP) and the National Action Council for Minorities in Engineering.

Macy's: The famed department store sets diversity objectives for each outside firm and reduces bonuses for failures to meet goals. Failure to meet goals also will result in reduced future work for the firm.

Xcel Energy:In 2017, the company eliminated its detailed outside counsel survey in favor of scoring and ranking its outside firms on several factors, including a demonstrated commitment to diversity and inclusion. In addition to reviewing diversity statistics, the department will assess whether diverse lawyers at its firms have access to meaningful opportunities. Firms can review the standings to see where they rank on each factor. Though the standings are anonymized for the nearly 30 firms on the list, Xcel's legal group anticipates that the prospect of being ranked against their peers will motivate its lawyers to take the steps needed to move forward on diversity.

Engage Excellence: The legal departments of **DuPont, General Mills, Verizon, and Wal-Mart**co-founded this program in 2014. Through Engage Excellence, these legal departments have committed a portion of their legal spend to hire ethnically diverse or LGBT outside lawyers to serve as lead counsel on select matters. They also require diverse teams to work on their outside legal matters and the law firms to certify that the diverse lead lawyer hired receives financial credit as originator of the matter. The goal is that half of the diverse/LGBT lawyers will be women.

Next Generation Programs to Connect In-House Counsel with Diverse Outside Counsel:

3M:3M is hosting a career development and advancement program in 2017 for diverse partners from its preferred providers who are in line to become relationship partners in the near future.

Bristol-Myers Squibb:Legal department lawyers mentor diverse lawyers from four of the company's outside law firms for a period of one year. These lawyers are also provided with executive coaching and guaranteed work on at least one matter for Bristol-Myers Squibb during the year.

Walmart Ready: In 2015, Walmart launched Walmart Ready, an outside counsel "onboarding" program. It was designed to educate women and diverse outside counsel about Walmart's business, legal operations, and corporate culture, while affording them an opportunity to connect directly with in-house lawyers. Walmart has said the goal of the program is to ensure that the legal department is fully utilizing their diverse pool of available outside counsel and enabling them to be successful in handling Walmart matters. Within a few months after the initial onboarding session in 2015, over 25% of the firms that participated had received a legal assignment. The company held the second Walmart Ready event in September 2016.

Verizon:As part of the law firm diversity incentive initiative, Engage Excellence, Verizon has co-hosted dozens of CLE programs throughout the country, giving needed subject-matter exposure of the diverse talent within their law firm population. Each of these CLEs are followed by a 'meet & greet' reception to further encourage relationship-building (and business development opportunities) between the corporate in-house teams and the external diverse lawyers.

Mansfield Rule, Supported by 50+ Legal Departments: In mid-2017, more than 30 law firms signed on to pilot a version of the NFL's Rooney Rule in the legal profession. Named after the first women admitted to a U.S. bar, the Mansfield Ruleasks law firms to consider women and minority lawyers for at least 30% of their candidate pool for leadership and governance roles, equity partner promotions, and lateral hiring. More than 50 legal departments - including 3M, Workday, PNC, PepsiCo, Gap, Target, VMware, Facebook, Abercrombie & Fitch, MasterCard, American Express, Ford Motor Company, BASF, Salesforce, Google,



Hewlett Packard Enterprise, and Charles Schwab - have agreed to support the law firms that meet or exceed the Mansfield Rule requirements by meeting and getting to know their newly promoted diverse partners.

In-House/Outside Fellowship Programs:

TheLeadership Council on Legal Diversitywas founded in 2009 to create a more open and diverse legal profession. It now counts over 260 Chief Legal Officers/GCs of major corporations and managing partners of large law firms as members. LCLD's signature programs, Pathfinders (for early career lawyers) and Fellows (more experienced lawyers), offer development opportunities, including networking, mentoring, and leadership training for participants, who are nominated by their companies or law firms. Programs are hosted and facilitated by in-house legal departments.

3M:Through the Twin Cities Diversity in Practice Summer Clerk Rotation, three law students spend part of the summer with a 3M Preferred Counsel Network Firm and the remaining time at 3M, where they are mentored and have the opportunity to observe the work of an in-house legal department at a large corporation.

Eversource Energy: Eversource partners with Carmody Torrance Sandak & Hennessey LLP on a diversity fellowship. Fellows spend half of the summer at Eversource Energy Legal Department and the other half at Carmody Torrance Sandak & Hennessey, the largest law firm in Western Connecticut.

GE:GE established the Denniston Fellowship in 2015 to hire diverse lawyers directly from law school. The Fellows work at GE for a year and then interview with the four law firms partnering with GE on this initiative. The firms do not have to commit in advance to hiring a Fellow, but they agree to interview them for an associate position and consider hiring them as their Fellowship concludes. They also invite the Fellow to participate in their first-year training programs. The first Denniston Fellow, after a year working in legal with GE's Transportation division, accepted an associate position with Sidley Austin. Because she had spent time working on an international arbitration matter while at GE, the company ended up hiring Sidley to represent it on the matter once the Fellow had joined. The company's goal is that, as the program expands, the Fellows will serve as a force to influence diversity in the legal profession and drive it forward. To further its inclusion goals, the company has deliberately sought Fellows from lower-tier schools as part of this initiative.

Evaluations of Outside Counsel Diversity:

Accenture:Accenture sends annual surveys and requests quarterly updates from its firms. It tracks the diversity of the firm as a whole and closely monitors the diversity of the teams working on its matters. **AT&T:**AT&T asks the approximately 50 firms in its Preferred Counsel Program to complete an annual survey. The company holds back some compensation for outside firms, and the survey --including the diversity element of the survey --is a factor in the decision whether to hold back funds.

Bank of America Merrill Lynch:For over 10 years, Bank of America's legal department has measured how women and minorities are staffed on its matters. In 2012, the Bank expanded its metrics, and it now obtains granular data on staffing, work allocation, and fee distribution. The analysis is multidimensional, looking at a number of timekeepers, dollar amounts spent, seniority, and distribution by gender, ethnicity, sexual orientation, and disability. Bank of America's legal department not only captures what percentage of their work is being handled by diverse attorneys but also tracks the attorney level to determine whether there are retention or advancement issues for diverse or women lawyers.

BMO:In 2013, the first year BMO requested diversity metrics, 34% of those that responded to the questionnaire collected and disclosed diversity metrics; as of 2014, 97% of firms who responded to the questionnaire now collect and disclose diversity metrics.

Home Depot:In an annual RFP to outside firms, the company requests diversity information, including asking firms to explain how they put diversity top of mind. It examines the following in evaluating firms: whether the firms are looking at diverse slates when they are filling positions; that the firms ensure Home Depot is introduced to diverse attorneys as they decide how to staff company matters; that they make sure they are exposing the company to the full range of their talent; that they promote diverse lawyers; and that they generally support the company's efforts to ensure it has diverse suppliers. To the extent outside firms are using local counsel, court reporters, and other vendors, Home Depot expects firms to be mindful of the need to look broadly to bring in the best talent.



ITW:ITW makes a deliberate effort to funnel work to minority client relationship managers at outside firms. **MassMutual:**Building on its longstanding diversity survey, MassMutual now asks firms for additional data on how the firm itself is structured as an equity partnership with respect to diversity. In response to the survey data, the company sends more work to firms that are meeting its diversity objectives and less to those that are not. GC Mark Roellig meets in person with the company's primary outside firms on a yearly basis to discuss how things are going, how matters are being staffed, how the firm is doing on diversity, and how the department and the firm can work together to improve.

Morgan Stanley:Morgan Stanley asks law firms to submit a survey that it also uses as a basis for selecting a diversity award winner.

NBCUniversal:NBCUniversal's legal team generates diversity statistics on pending matters on a quarterly basis, not only to hold law firms accountable, but also to hold senior in-house lawyers accountable to corporate diversity goals.

Northeastern Utilities:NU distributes an outside counsel diversity policy statement that communicates the company's expectations concerning diversity from its outside counsel. This includes requiring outside firms to provide periodic reports that state: (1) the number of diverse attorneys, paralegals, and staff working on NU matters and the hours they billed; (2) a description of steps taken to enhance diversity within the firm; (3) a description of efforts made within the profession and community to further diversity; and (4) measurable successes in achieving supplier diversity and diversity among temporary employees.

PayPal:CLO Louise Pentland expects outside counsel to field diverse teams, only hiring firms and keeping them if they remain focused on diversity. She has said she believes this leads to the best results for the company. She takes steps to personally evaluate the quality of the interactions between lawyers on an outside counsel team to better understand the dynamics in play.

PepsiCo: PepsiCo awards points to its outside counsel based on their responses to a robust diversity survey. Last year, it recognized the top 10 scoring firms for their diversity efforts and gave them opportunities to expand their relationship with the company. The survey asks for information about the diversity profile of firms' US-based attorneys, the diversity of their partnership broken down by equity and non-equity partners, who the PepsiCo relationship partner was, who was assigned to PepsiCo partners, and similar data. The survey also includes narrative questions to probe the substance of firms' diversity recruitment and retention initiatives. Firms interested in pitching for new matters are also asked to complete the diversity survey.

Salesforce:Salesforce GC Amy Weaver believes the most effective way to influence outside counsel diversity is to take a collaborative approach. For example, after a meeting with a non-diverse group of lawyers from one firm, she called the managing partner and they had a productive discussion regarding how

Shell Oil: Shell Legal requires its strategic partner firms to complete its Strategic Partner Diversity & Inclusiveness Survey bi-annually and grades the firms' performances based on responses.

they could work together to improve their recruitment of women lawyers.

Telstra Australia:Telstra requires the inclusion of at least one woman lawyer on its outside counsel teams. It also asks that firms report every six months on the number of matters in which counsel has been retained, the number of male and female lawyers retained, and the amounts paid to male and female lawyers. In addition, it requests a summary of the policies and practices that the firm adopts internally to encourage equitable briefing and what steps the firm takes to ensure that they identify and actively consider woman lawyers in representing clients. To measure effectiveness, Telstra also requests feedback from the outside firm regarding the extent to which these work-practices support or discourage gender equality and more general diversity in their firm.

VMWare: VMware's legal team asks partner firms for annual reports on diversity efforts and scores diversity as part of its vendor evaluation processes.

Walmart: Walmart legal department's program seeking and measuring diversity and inclusion among its law firms has been in place for over 11 years. In addition to investing in diversity, the company requires outside counsel to promote and support balanced work arrangements. To measure the effectiveness of its programs, the company uses data and analytics to capture indicators such as legal spend with women and diverse attorneys. Walmart also expects its firms to demonstrate their commitment to diversity and inclusion and actively develop women and diverse attorneys for advancement within their firms. To ensure this is being



done, it reviews data including overall law firm demographics, demographics of the firm's Walmart team, and hours billed by diverse attorneys.

Diversity Awards to Outside Counsel

AT&T:Launched in 2011, the AT&T Legal Department Diversity Award annually recognizes one small, one medium, and one large firm nationally for their activities and accomplishments promoting diversity and inclusion in the legal profession.

Bank of America Merrill Lynch: Established in 2013 at the request of Global General Counsel Gary Lynch, Bank of America's diversity award recognizes firms that partner with the bank on diversity and inclusion related issues, provide the bank with diverse legal support, and promote diversity initiatives within their own communities. The winner is selected based upon specific criteria, including:

Internal culture for recruitment, retention, mentoring, and promoting diverse attorneys;

External outreach to the community, including work with affinity groups; and

The firm's direct partnership with the Bank to further its diversity goals and mission.

Important Note: Poor performers are not off the hook once not selected for the award. The bank addresses progress on diversity in each firm's annual performance review. Bank of America works collaboratively with firms to develop performance improvement initiatives when appropriate. The bank hasfoundthat firms are motivated to improve their standing when they learn they are falling behind their peers on diversity metrics. **Coca-Cola:**Beginning in 2007, the Coca- Cola Legal Division has bestowed the Living the Values Award to the law firm that best demonstrates its commitment to diversity with creative and innovative solutions that advance company goals. These solutions may include strides in hiring, retention, and promotion of diverse lawyers, initiatives that add value to its internal efforts, creative partnering arrangements with minority and women owned firms, and pipeline/community outreach initiatives.

Dell:Since 2011, Dell's Legal Department has honored outside law firms making strides in diversity with the Dell Legal Diversity Award.

Morgan Stanley:Law firms vying for Morgan Stanley's Leadership and Excellence in Diversity and Inclusion award complete a detailed survey regarding their commitment to diversity. Four finalists are then selected for in-depth interviews.

NAMWOLF and Women/Minority-Owned Firms:

NAMWOLF promotes diversity in the legal profession by fostering successful relationships among preeminent minority and women owned law firms and private/public entities.

Coca-Cola:The company's *Straight Talk* program, now in its sixth consecutive year, invites principals of minority and women-owned law firms on-site. Coca-Cola provides a one-day orientation to the company and facilitates introductions to employees, with a goal of making the firms part of the delivery of their outside counsel legal needs. To date, Coke's Legal Division utilizes between 15-20 small, minority, and womenowned firms to support the division in matters spanning from intellectual property, to litigation, transactional work, and other projects.

Shell OilThe legal department periodically hosts Minority and Women-Owned Business Enterprise Round Robin events where Shell in-house counsel meet and interview minority and women-owned outside law firms.

See General Counsels Join Law Firm Diversity Movement: Corporate Clients Use Incentives and Punishments to Inspire Diversity and Inclusion for more information.

In-House Diversity Pipeline Programs:

PepsiCo: The summer fellowship program was named in honor of former General Counsel Larry Thompson, who has been a steadfast champion of diversity and inclusion in the legal profession and a mentor to diverse attorneys. The program is designed to identify talented diverse law students and show them what an inhouse corporate law career would look like.

Walmart: This company recently announced a three-year, \$150,000 commitment to support the University of



Arkansas Law School's summer prelaw program for diverse college students. As part of that program, the students spend a day at Walmart's Home Office learning about the legal department and the benefits a legal degree can produce.

MassMutual: MassMutual's 1L Diversity Clerkship Program is designed to provide students with valuable, career-enhancing experiences by allowing them to work alongside a seasoned attorney. It is a paid internship that includes subsidized temporary housing during the program.

Microsoft: In 2015, CELA, working with former Washington Governor Christine Gregoire and the University of Washington Law School, assembled a group of law firms and in-house legal departments in Seattle to launch a fellowship program for law students. Ten "Gregoire Fellows" are selected each year from UW's class of admitted students. Each receives a substantial scholarship, year-round mentors, and a guaranteed internship for their 1L summer with one of the supporting partners.

ITW: The legal department at ITW collaborates with the Legal Education for the Advancement of Diversity and Scholarship Fellowship Program to host third-year diverse law students.

PNC:In 2016, the legal department's Diversity & Inclusion Council partnered for the first time with Pittsburgh-based Extra Mile Education Foundation to mentor and provide career perspectives to a class of eighth-graders from a local low-income community. This initiative aims to get teenagers interested in law and financial services. It is also a way for students to see the diversity of professionals at PNC.

Adobe: Participates in a summer immersion program with Girls Who Code.

Merck and McDonald's: Both companies participate inStreet Law, a program to educate disadvantaged youth about the law.

A breakdown of the 10 most diverse companies of 2017

A legal practice would be quite lucky to be the outside counsel for one of these 10 companies. But for as diverse as these corporations are, more than likely they also require very diverse law firms to work for them.

These 10 companies and their diversity statistics were taken from an original list of the 50 most diverse companies in America for 2017, published by DiversityInc.

EY: women in senior leadership: 11.1% more than the top 50 and 44.7% more than the S&P 500; women among those promoted into management: 19% more than the top 50; supplier diversity: spent 38% and 68% more of total procurement with women and minority-owned suppliers than the top 10 and top 50, respectively.

Kaiser Permanente: blacks, Latinos and Asians in senior leadership: 69% more than the top 10 and more than double that of the top 50; women in total management: 59% more than the top 10 and 78% more than the top 50 employees in resource groups: 76% more than the top 10.

AT&T: blacks, Latinos and Asians in senior leadership: 20% more than the top 50; blacks, Latinos and Asians among those promoted into management: 43.3% more than the top 50; supplier diversity: spent 32.3% more of total procurement with tier-1 women-owned suppliers than the top 50.

PWC: blacks in senior leadership: 32.8% more than the top 50; level 1 mentoring participation: 23.4% and 40.7% more than the top 10 and top 50, respectively; supplier diversity: spent 66.3% more of total procurement with tier-1 women-owned suppliers than the top 50.

Johnson & Johnson: blacks, Latinos and Asians on board of directors: 38.4% more than the top 50; level 3 mentoring participation: 39.3% more than the top 10; employees in resource groups: 17.2% more than the top 10.

Sodexo: blacks, Latinos and Asians in senior leadership: 14.5% and 41.9% more than the top 10 and top 50, respectively; blacks in total management: 66.4% and 75.4% more than the top 10 and top 50, respectively; women among those promoted into management: 37% more than the top 50.

MasterCard: Latinos and Asians on board of directors more than double the top 10 and top 50 blacks, Latinos, and Asians in senior leadership: 49% more than the top 10; supplier diversity: spent 18.7% more of total procurement with tier-2 women-owned suppliers than the top 50.

Marriott International: blacks, Latinos and Asians on board of directors: 31.8% more than the top 50; women



in senior leadership: 37.9% and 45.1% more than the top 10 and top 50, respectively; level 3 mentoring participation: 61.8% more than the top 50.

Wells Fargo: blacks, Latinos and Asians on board of directors: 48.2% more than the top 10; women among those promoted into management: 13.3% and 43.4% more than the top 10 and top 50, respectively; level 2 mentoring participation: 72.6% more than the top 50.

Abbott: women on board of directors: 37.8% more than the top 50; level 3 mentoring participation: more than double that of the top 50; level 2 sponsoring employee resource groups: 24.5% more than the top 50.

What are some of the takeaways of my firm becoming more diverse?

If your law firm works on legal issues with Microsoft, and it concedes to the guidelines for diversity that Microsoft establishes, your firm could stand to make a nice profit in bonuses on top of its retainer fee.

A second benefit is your law firm and a company such as Microsoft will be operating from the same culture. Microsoft is a diverse corporation and you're running a diverse law firm. This means you and the company will be seeing eye-to-eye as to the importance of having various ethnicities and genders. A deeper trust will be established between your firm and the company, which could mean even more legal work will come your way.

A third benefit is word of mouth (in addition to whatever critical papers, blog posts, media and other attention your firm might receive) because you are working with a company like Microsoft based on your diversity. This can lead to other companies wanting you as their outside counsel due to your diversity.

What are the practical benefits of diversity?

Beyond business and the influx of income, there are practical benefits to diversity that law firms should be aware of as outlined in a Law Firm Practice Today article, *Diversity and Its Impact on the Legal Profession*. Some of those include:

Diversity is reality: It really is a small world after all. We know this simply by how easy it is to connect to nearly anyone on the planet. And with the neighborhoods of our cities becoming more diverse, many of us have accepted diversity as today's model of humanity. We are used to seeing others from different regions, cultures, and walks of life every day through television, social media and the internet. We are now used to what was once regarded as foreign and exotic through continuous worldwide engagement.

Given this, it makes sense that individuals who seek law firm services would rather see a law firm-wide representation similar to what they see in the city as a whole. People want to see a variety of races and genders representative of their own lives within diversity.

Another reality about diversity that law firms need to consider is that a wide range of people and genders seek legal help. It's not just one race, gender and socio-economic class that wants legal assistance. People from all walks of life require legal help in some capacity. Simply put, when dealing with matters serious enough to warrant counsel, potential clients want someone with whom they feel comfort and relatability.

Demographically diverse law firms tend to put a large cross-section of society at ease. The black family will be glad to see a black attorney. The same goes for an Asian lawyer or a lawyer from Guadalupe when he is faced with a Guadeloupian seeking answers to real estate or corporate matters. Locating a decent attorney is no easy feat, particularly when the practice of law is done from a cultural point of view that you are either unfamiliar with or uncomfortable with.

Old school law firms, unless they have old school clientele, are pretty much doomed once their old school



clients begin to die off. The law ultimately shifts to accommodate the changes in our demographic makeup. Those who represent the law must shift as well.

Diversity breeds innovation.

The age that we now live in has repeatedly proven that creativity leads to success. One can think of diversity in the law practice in much the same way. Law firm diversity can be compared to a box with 112 colors of crayons in it. Of that big box of crayons, something creative is bound to emerge. This is why many in business and law who have gone the diverse route with their businesses remain innovative in their work. Presenting an idea to a diverse group of people typically will result in a greater discussion than presenting the same idea to a homogeneous group of people. Different backgrounds can produce different opinions, particularly if they are based on a person's own experiences.

Of course, these opinions can result in disagreements among lawyers, but these disagreements also provide opportunities for even more innovative thought and problem solving processes. Such disagreements and discussions can eventually lead to advancements that improve the entire law firm. Lawyers who do not face conflict, strong discussions, and diverse opinions become comfortable and their firms cease to progress. If intellectual debate based on opinion and real-life experiences has created huge advancements in all sectors of corporate business, who is to say the same isn't possible within a large law firm that diversifies its staff?

In many cases, top talent is attracted by diverse groups.

Diversity, particularly with the rise of the Millennial workforce, tends greatly to attract young, highly skilled individuals. The same is said of law firms who make diversity a priority in their practice areas. As wealth has now begun to transcend nearly every ethnicity and nationality, the need for a diverse group of lawyers is critical. The same can be said of multinational business deals, especially within countries where American English isn't widely understood.

Young wealth - that is to say, young pioneers in tech, gaming and other multimedia sectors tend to feel easier about someone their age handling their legal affairs, as opposed to someone older who has no concept of what these young wealthy individuals have accomplished culturally.

Diversity allows you to gain clients.

Practically, and in some cases, tactically, when a law firm becomes diverse, they open themselves up to much more than two or three practice areas. Consider, for example, that you're a corporate attorney specializing in class action lawsuits. Now consider that you have taken it upon yourself to learn Spanish. Imagine how much business that can open up to you. One morning you may be representing an American company of some stature, while that afternoon, you get a phone call from a representative of an enormous Mexico-based stainless steel company who has an issue with an American construction company. And why'd they get in touch with you? Because of the simple fact you're a good attorney and you speak Spanish.

It can happen, and not just to an individual who happens to be bilingual, but more likely to a very diverse law firm. A law firm that makes diversity one of its building blocks opens itself up to a more diverse and potentially more lucrative group of clients.

While being able to communicate in multiple languages opens a firm up to a larger client base that would be impossible to reach otherwise, diversity also establishes more and different networking circles and activities in which business potential can be found.

One more bonus is diversity could help firms immediately gain certain clients as many corporate or



government clients these days have a policy of hiring only diverse law firms.

How do I diversify my law firm?

Large tech companies like Google and Amazon are examples of organizations that pride themselves on having a very diverse workforce, and yet, they didn't get there by simply hiring minorities. No, these diverse companies simply hired the best candidate they could find for the job at hand. Race had nothing to do with the employment process; the entire issue was removed from the equation. Instead, the diversity statistics increased naturally as an increasing amount of individuals from all backgrounds applied to the two companies.

Partners and hiring managers need to take this approach to diversifying their law staff. With the cross section of races and genders graduating from a good cross section of law schools, diversification should be based on which lawyer best fits the open legal position, as well as the firm's belief in diversity and the (pending, if not already present) diversity of the firm's client base.

Speaking of law schools, don't rely too heavy on recruiting from the old and battered ivy schools like Harvard, Yale and whomever else. Just as good a lawyer with leagues of more real-world experience, connections and diverse people skills can come out of Chico State as Cornell.

So where do I start to diversify my law firm?

If you don't feel comfortable diversifying your own law firm, there are many resources available that can help your firm with diversification. These resources, in most cases, are nonprofits which specialize in making inhouse and outside law firms achieve ethnic and gender equality.

Some of these resources, in fact, recruit ethnically diverse lawyers long before they've even entered law school. How is that done? They simply attract kids (yes, kids), who as early as high school, have established an interest in law practice. These resources track their young people through college and law school, and upon graduation, place them in law firms throughout the country, if not the world.

With diversity in the legal sector tantamount in their cause, these resources work willingly with any law firm that contacts them regarding diversification. They also work with and represent any core group that has graduated successfully, in most cases passed the bar exam, and established an ability to practice at a high level within their area of interest.

In other cases, recruiters specializing in diversity recruit young lawyers just out of law school, with the hope that they get placed in a firm where they not only flourish, but one in which their talents will be allowed to blossom.

These organizations that seek law diversity through helping to place ethnically and gender diverse attorneys inside law firms include:

National Association of Women Lawyers: The National Association of Women Lawyers has sought to provide leadership, a collective voice, and essential resources to advance women in the legal profession and advocate for the equality of women under the law since 1899.

Council on Legal Education Opportunity: Founded in 1968, the Council on Legal Education Opportunity (CLEO) is a national organization that has expanded the opportunity for more than 10,000 minority and low-income students to attend law school and join the legal profession.

Institute for Inclusion in the Legal Profession: The Institute for Inclusion in the Legal Profession (IILP) retains a core philosophy that fewer walls lead to more open doors. IILP reaches out to high schools, colleges and law schools, providing programs that supplement the students' education, while also preparing them for the



competitive aspects and nature of the legal world.

The National LGBT Bar Association: The National LGBT Bar Association comprises a national collection of lawyers, judges and other legal professionals who help promote justice in and through the legal profession for the LGBT community. The LGBT Bar offers national lecture series, corporate counsel institutes and the annual Lavender Law Conference & Career Fair.

Hispanic National Bar Association: The Hispanic National Bar Association (HNBA) is an organization representing Hispanics in the legal profession. Founded on March 20, 1972 as La Raza National Lawyers Association, HNBA's members include attorneys, judges, law professors, legal assistant and paralegals, and law students in the United States and its territories.

Minority Corporate Counsel Association: The Minority Corporate Counsel Association (MCCA) is one of the premier sources of learning, knowledge and future-oriented research on diversity and inclusion within the legal profession. Established in 1997, the MCCA provides resources, education, ideas and networking to enhance the power and performance of the legal community. MCCA members are committed to diversity and inclusion.

National Bar Association: Established in 1925, the National Bar Association (NBA) is currently the nation's oldest and largest national network of predominantly African-American attorneys and judges. First called the "Negro Bar Association" the NBA's formation was in direct response to black legal pioneers of the early 20th Century who were denied membership to the American Bar Association.

Conclusion

Law firm diversity isn't tough, but it does require work. The first part of that work is to think *without* race, gender, culture, nor pedigree and law school prestige. To step onto and continue along the path to diversity, the best candidate for a legal position should always be the best candidate, period.

If you allow that to occur with each attorney you hire, you'll naturally have a diverse staff based on nothing other than pure talent, drive and execution, as well as have a life-experienced team of attorneys who will be more relatable to a wider cross-section of people seeking legal help.

Undoubtedly, diversity is the wave of the legal future. It is also the way toward a profitable and successful law firm.

For more information about law firm diversity, see our Diversity Resources.

For more information about diversity, see the following articles:
Law Firm Diversity: They All Talk the Talk, But It's Harder to Walk the Walk
Why Upper and Lower Class Attorneys Rarely Succeed in Law Firms: How Race and Class Often
Hinder Law Firm Success

Learn more about law firm diversity in this in-depth book:

Law Firm Diversity: How Race, Gender, Age, Social and Economic Divisions Impact the Hiring, Retention and Advancement of Law Firm Attorneys

See the following articles for more information:

Law Firms' Continued Lack of Diversity: Scholars Provide Insight on Reasons and Solutions How Law Firm Websites Influence Retention of Diverse Attorneys Can Rethinking the "Billable Hour" Lead to More Law Firm Gender Equality? Top 14 Ways Law Firms Can Recruit and Retain Minority Attorneys Steps to Attract and Retain Female Partners The Importance of Attracting and Retaining Gay Attorneys



Why Are So Many Women Reaching the Top of Big Law Firms?