

Report on the Task Force on the Future of the Legal Profession

New York State Bar Association, April 2011

http://www.nysba.org/AM/Template.cfm?Section=Task_Force_on_the_Future_of_the_Legal_Profession_Home&Template=/CM/ContentDisplay.cfm&ContentID=48108

The report focuses on issues that the rapidly legal industry currently faces. Topics included developments in the economics, structure, and billing practices of private law firms; the model for educating and training new lawyers; the pressure on lawyers seeking work-life balance; and the implications of technology on the practice of law. Law firms have gradually shifted away from hourly billing to alternative fee arrangements as clients demand more predictable fee structures. The report also recognizes that work-life integration continues to become a gender-neutral issue that affects both male and female attorneys. Law firms that can offer a healthy work-life balance for lawyers will build better relationships with clients, reduce turnover and training cost, and build an employment brand that will attract more talent. Law firms should implement gender-neutral work-life balance programs and initiatives, facilitate flexible work arrangements, and increase transparency on partnership and work-life integration programs.

The Business Case for Diversity: Reality or Wishful Thinking

The Institute for Inclusion in the Legal Profession (IILP), April 2011

<http://www.theilp.com/resources/Documents/IILPBusinessCaseforDiversity.pdf>

The Institute for Inclusion in the Legal Profession (IILP) published a report revealing findings on the impact and effectiveness of the business case for diversity. The report was based on the data and responses collected from three constituencies that would be directly impacted by any business case for diversity – corporate clients, law firms, and diverse partners. Although the business case for diversity exists, the report explains that corporations often lack specific strategies to reward in-house counsel for choosing diverse outside counsel. Corporations do not know how to actively reward the law firms that champion diversity expansion. Because diversity is only one of the many criteria corporations use in selecting an outside counsel, law firms are less likely to see any measurable increases in the amount of business recognition based on diversity efforts. Thus, firms are unlikely to attempt an innovative strategy to advance diversity. According to the report, 72.7 percent of law firms receive only 0-5 percent of their gross revenues from clients who inquire about the firm's diversity. Firms are rarely informed of business received because of diversity efforts and the internal expectations for the amount of business that a minority partner should generate are often unrealistic — this can cause inaccurate perceptions of the lawyer's business development abilities.

Diversity Business Matters

The California Minority Counsel Program (CMCP), April 2011

http://www.cmcp.org/FileLib/11/2011_diversitybusinessmatters.pdf

The report published by the California Minority Counsel Program (CMCP) summarized programs that leading companies have used to incentivize and retain diverse outside counsel. AT&T, E.I. du Pont de Nemours and Company, Inc., Gap Inc., Microsoft Corporation, Pacific Gas & Electric Company, Sempra Energy Utilities, and Wal-Mart Stores, Inc. participated in the study.

The legal department at AT&T aims to comprise 6.5 percent of its total legal spending on law firms and legal vendors with minority, women and disabled veterans business enterprises (MWVBE). AT&T requests that law firms report the billable hours of diverse lawyers and paralegals. This allows the company to compare and track diversity metrics over time, recognize the law firms with the best diversity performance, and advise law firms on accountability and improvement.

Diversity is one of the criteria DuPont used in selecting its Primary Law Firms (PLFs) and Service Providers. DuPont Legal reviews the annual *Benchmark Survey* completed by its PLFs and Service

Providers in order to evaluate diversity efforts. The company also led an initiative to develop a website to promote woman- and minority-owned law firms across the U.S.

Gap Inc. requires that each of its U.S. based firms complete an annual Law Firm Diversity Survey. The survey asks for the specific number of minority and female attorneys in the firms at all levels. The company revises its survey each year to incorporate new approaches that may impact the diversity at law firms. In its 2010 survey, Gap Inc. intended to include questions on flexible work arrangements in order to increase the retention of diverse and female attorneys.

Under its Law Firm Diversity Program, Microsoft Corporation offers economic incentives to its Premier Preferred Provider (PPP) for increasing the percentage of hours worked by diverse attorneys or for increasing the number of total diverse attorneys at the law firms.

In 2009, PG&E spent more than 22.4 percent of its outside counsel budget on law firms comprised of women, minorities and disabled veteran business enterprises (WMDVBE). PG&E spent a total of \$37.1 million on legal fees and costs in 2009.

Sempra Energy Utilities spent \$9.5 million with minority and female attorneys at majority-owned law firms and \$2.9 million with woman- and minority-owned law firms in 2009.

Wal-Mart Stores Inc. has developed a scorecard to evaluate external counsel on cost effectiveness, diversity and performance. The company has also increased its use of woman- and minority-owned law firms and has continued to shift legal business between white male partners, assigned women, and diverse lawyers as designated relationship partners. In order to ensure that women and diverse relationship partners receive the origination credit that they deserve, Wal-Mart requires the CFO or the Managing Partner of the law firms to certify that the correct partner receives credit for all work sent into the firm. In addition to requiring outside counsel to develop and implement flex-time policies, Wal-Mart also requires at least one flex-time partner to be included among the candidates to submit for relationship partner consideration.

The Perspectives of Women of Color Attorneys in Corporate Legal Departments

The Corporate Counsel of Women of Color (CCWC), April 2011

http://www.ccwomenofcolor.org/images/es-summary/CCWC_ES_Sample.pdf [Executive Summary]

Corporate Counsel Women of Color's (CCWC) report provides new data and insights on recruiting, retaining and advancing diverse attorneys at the corporate legal departments, an increasingly important sector in the legal community. According to the report, survey respondents compared their experience of working in a corporate legal department with their experience of working in a law firm. Six key areas were addressed: access to senior management, access to clients, work assignments, atmosphere of inclusion, promotional opportunities, and training and development opportunities. Respondents rated their experience at a corporate legal department more positively than their experience at a law firm. Women of color rated "being valued" as the most important element in current job satisfaction; women of color also believed that gender was a greater impediment to career advance than was race and/or ethnicity.