Talent Advisory Board Research Update – June 6, 2011 Legal Industry Diversity Reports

Diversity Scorecard 2011

The American Lawyer, June 2011 http://www.law.com/jsp/tal/PubArticleTAL.jsp?id=1202494725139

The latest Diversity Scorecard reported an increase in the minority attorney population despite a continuous decline in the overall number of attorneys in the United States. Over the past year, according to the data collected from the responding firms, the overall attorney head count in the United States decreased by 359 while the minority headcount in the United States increased by 136.

Diversity Retention Best Practices Research Study Report

Talent Advisory Board, June 2011

http://talentadvisoryboard.com/Diversity_Retention_Best_Practices_Research_Study_Report_FI_NAL.pdf

This best practice research study, conducted by Talent Advisory Board Inc., examines how some innovative California law firms did not mirror the industry trend of high turnover rates among minorities and women. The study, which was co-sponsored by Fenwick & West LLP and Orrick, Herrington & Sutcliffe LLP, outlines the change in US Diversity Demographics from December 31, 2008 to December 31, 2009 in terms of minority and female partners, non-partners, and all attorneys within major law firms. Despite the recent economic downturn, when the total percentage of minorities and women at large firms decreased for the first time in recent history. the California Law Firm Diversity Retention Best Practices study report shows that these best practice firms were able to outperform at least one Talent Advisory Board 2009 California Large Law Firm Retention Benchmark. Participant interviews were based on five major areas: work assignment, retention, management, retention measurement, career development, and employment brand. Ultimately, the study highlights that California law firms are more diverse on average than law firms in other states. Tina Shah Paikeday, Managing Director of Talent Advisory Board, describes some of the qualities and the practices of the firms that have been implemented in order to maximize satisfaction among minority and women attorneys: the assignment of associates to a stable group of partners who provide work and sponsorship; the incorporation of role models who have utilized work-life programs to lead business groups; the focus on monitoring turnover metrics for diverse attorney segments by diversity committees: the development of formal career tracks to fit the changing needs of diverse attorneys; and, the use of internal surveys and affinity groups as feedback on competency based models.

2010 Law Firm Diversity Professional Survey

Minority Corporate Counsel Association (MCCA) and Associate of Law Firm Diversity Professionals (ALFDP), May 2011

http://mcca.com/ data/global/images/Research/2010 LawFirmDiversityProfessional Survey.pdf

This report summarizes the findings of the 2010 MCCA/ALFDP Annual Survey of Law Firm Diversity Professionals. The annual survey solicited information from law firms in order to quantify the amount of resources that law firms dedicate towards advancing diversity. The survey also serves to identify the new information and resources that diversity professionals may need in order to develop and implement diversity initiatives. Ninety-eight law firms responded to the 2010 survey, which was sent to approximately 249 law firms through an electronic invitation. The survey reported the percentage of law firms using a separate billing number to track diversity-related activities; these activities increased from 68 percent in 2009 to 85 percent in 2010. While the majority of the respondents stated that attorneys do not receive billable credit for time devoted to diversity-related activities, 68 percent of respondents said that attorneys receive non-billable credit for such activities. Seventy-nine percent of the responding law firms have a law firm diversity professional — an even larger percentage of these professionals dedicate full-time to

diversity initiatives. Specifically, the percentage of diversity professionals at the responding firms dedicating full-time to diversity initiatives increased from 44 percent in 2009 to 51 percent in 2010. According to the survey, the percentage of diversity professionals being hired from within the firm has risen from 42 percent in 2008 to 60 percent in 2010. Diversity professionals' responsibilities typically involve promoting awareness on diversity-related issues within firm management, developing diversity goals and strategies, designing programs to create an inclusive environment, and encouraging retention of all lawyers. Seventy-three percent of respondents reported having a female diversity professional, and 55 percent reported their firms' diversity professional as a woman of color. In terms of ethnicity, 28 percent of responding firms identified their diversity professionals as Caucasian/White.