

# 2023 Future Leaders Seminar

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## Stand by Me: When Clients and Law Firms Stand Together to Support Meaningful Diversity, Equity and Inclusion

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# Stand by Me: When Clients and Law Firms Stand Together to Support Meaningful Diversity, Equity, and Inclusion

#### Underrepresentation and a Push for Change

The American Bar Association categories diversity in the following ways: Gender, Race or ethnicity, Sexual orientation or identification, Disabilities, Religion, Age, National origin, Military service. Although there are many notable exceptions, people falling into these groups, and particularly women and racial minorities, are often under-represented at law firms and in in-house legal departments, particularly in positions of leadership. They also often receive lower compensation than non-diverse attorneys and are excluded from, or overlooked for, other important law firm and legal department roles, opportunities, and benefits.

In response, many in-house legal departments have increased their diversity by participating in their organizations' DEI programs. Many law firms also have recently improved their DEI efforts, and numerous minority-owned law firms have been established. To accelerate these diversification efforts, many in-house legal departments are becoming increasingly active and vocal in encouraging DEI at the majority-owned law firms they retain for legal services, and are also actively increasing their use of minority-owned law firms.

#### What do the Statistics Say?

A 2019 <u>study</u> of over 1,000 offices of major law firms in the US found that in 2018, women comprised 35.41 percent of the attorneys at those firms. That same survey found that 16.1 percent of attorneys at those firms were racially or ethnically diverse, 8.08 percent were racially or ethnically diverse women, 2.86 percent were LGBTQ attorneys, and 0.53 percent were attorneys with disabilities.<sup>1</sup>

#### Why is DEI Important to Law Firms and Their Clients?

More diverse teams allow for more diverse viewpoints, which helps bring a more well-rounded team to the table. Diversity, equity and inclusion helps improve any process and the final outcome of any decision being made. In order to hear different perspectives, there must be equal representation in the room. More specifically, diverse firms and attorneys bring different perspectives, experiences, and opinions to identifying, addressing, and resolving legal issues; teams with diverse members often are compelled to be more innovative, creative, and collaborative than teams with members that share similar backgrounds; and diversification encourages team members to consider factors and issues that they might otherwise overlook, undervalue, or dismiss. Strong DEI policies also increase job satisfaction by providing its members with opportunities to support important principles

<sup>&</sup>lt;sup>1</sup> https://www.americanbar.org/groups/tort\_trial\_insurance\_practice/publications/committee-

newsletters/increasing\_law\_firm\_diversity/#:~:text=A%20law%20department%20can%20encourage,own%20firms%20and% 20legal%20communities.

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of justice, ethics, and equality and results in talented and diverse candidates to consider joining the law department because of its strong commitment to DEI.

#### What Kinds of Things Can Companies and Firms Do Internally in its DEI Efforts?

Companies and Firms may start by actively having a DEI initiative and committee, that can work in the following ways, among others: (1) hiring new attorneys, selecting new law firms, and using new attorneys instead of the older, more comfortable people; (2) instituting training and education programs for firm attorneys to encourage their support for the firms' diversity initiatives and identify and avoid unconscious bias; (3) Recruiting in non-traditional places; (4) participation in diversity initiatives such as internships or fellowships, client's diversity activities, or even bar association programs.

#### What DEI Efforts Do Clients See That They Like?

Follow through! Firms should ensure there is follow through and that they aren't stopping after the pitch. For example, active recruiting at events for diverse law students, internal groups and resources for diverse employees (ERGs, mentor programs, etc), data collection/monitoring regarding work distribution, staffing, credit, and sharing data with clients are important components of effective DEI efforts. Firms should avoid pitches and promotional materials boasting DEI, but behind the curtain lack the critical follow through (all talk, no action). Firms should avoid staffing to reach quotas, which leads to the wrong lawyers being staffed on cases, and can be bad for a lawyer's development, career, and mental health. This may also negatively impact the client because they may not get the best person for the job.