

Association Releases First Annual Diversity Benchmarking Study of Signatory Law Firms

Although New York City is one of the most diverse cities in the world, the partnership ranks of New York City law firms do not reflect this diversity. The Association generated its first annual law firm diversity benchmarking report by compiling statistical information from 82 New York City law firms, all of which are signatories to the Association's Statement of Diversity Principles. The results of the benchmarking report were presented at the Association's second annual diversity symposium: "Making Heads Count; Accountability for Legal Employers" on June 6, 2005.

The report captures the demographics of the New York law offices during the January-March 2004 time period. Individual firm data is kept strictly confidential. Each firm receives an individual report allowing them to compare their demographic composition with total signatory firms and those of a similar size. The benchmarking study also serves as a baseline for law firms to measure its progress to a more diversified work environment with each annual follow-up study.

The Study's Key Findings Include:

- 1. New York City offices of signatory firms are more diverse than the legal profession as a whole.** Of the 17,000 attorneys from the signatory firms, 15.2% are racial/ethnic minorities compared to 10.8% of attorneys in the profession as a whole (ABA, Statistics about Minorities in the Profession from the Census, 2000). Similarly, 35% of the attorneys from signatory New York City law firms are women compared to 29% of attorneys in the profession as a whole. The limited information provided by firms on openly gay attorneys and disabled attorneys is insufficient for national comparisons.
- 2. There is considerable diversity across race and gender in associate ranks, while the face of partnership at signatory firms remains predominantly white and male.** More than one in five associates are racial/ethnic minorities and two in five are women. Only 4.7% of the partners from the signatory firms are racial/ethnic minorities. The majority of special counsels and partners are both white and male. Women comprise 15.6% of the partnership at signatory firms.
- 3. Time alone will not bring diversity to the partner ranks in New York City.** Unfortunately new promotions to partner are similar to that of the overall partner pool. Only a slightly higher percentage of women and minorities were newly promoted to partner compared to their representation in the overall partnership. White males dominate the lateral partner hires more than new promotes to partner.
- 4. New partner promotions do not fully capitalize on the diversity of the partnership pool.** With an average 8-year partnership track, the remaining associates from the class of 1996 can be considered the pre-partner pool for 2004

partnership decisions. One-third of the class of 1996 associates is women in contrast to the one-fifth percent of new partner promotions in 2004. Similarly, 19% of the remaining class of 1996 is racial/ethnic minorities compared to 7% of new partners. In particular, the discrepancy is notable between Asian-American attorneys in the pre-partner pool (11.8%) and new partner promotions (2.8%).

Recommendations-Analyzing Firm Data

In order for law firm leaders to execute a plan of action, it is indispensable for the leaders to know exactly where their firm stands and why. The following questions will guide the firm in the right direction as they review their data and compare themselves to their peers.

1. What is the firm doing well? This is relative to other legal employers as well as where the firm has made progress over time.
2. What are the biggest challenges the firm faces? What are the highest priority issues to address?
3. What questions remain? What additional data is needed?

Analyzing and interpreting benchmarking data is crucial in order to visualize the diverse composition of attorneys from signatory law firms and to measure their progress with respect to diversity. In order for law firms to become more diversified, each firm must actively recruit, retain and advance diverse talent. Time alone will not diversify the partnership profile in area firms: With active intervention, New York City law firms will be able to embrace the diversity of its population and advance the best legal talent.

The report is available online at

http://www.abcny.org/pdf/report/Public_benchmarking_report.pdf.

To learn more please see our Web site at www.abcny.org or contact Meredith Moore Director of ABCNY's Office for Diversity at mmoore@abcny.org.

ADD PICTURE OF JAMES LIPSCOMB SPEAKING AT CONFERENCE

CAPTION:

James L. Lipscomb, EVP and General Counsel of MetLife Inc., closing the Association's June 6th Diversity Symposium focusing on leadership and accountability.