



2011 Diversity Benchmarking Study:

A Report to Signatory Law Firms

© 2011 by New York City Bar Association
October 2012

Written by Lisa D'Annolfo Levey and Amy McPherson
(llevy@LibraConsulting.biz)

For further information, please contact:
New York City Bar Association
42 West 44th Street, New York, NY 10036
mharris@nycbar.org
www.nycbar.org

TABLE OF CONTENTS

Executive Summary	Page 3
• Signatory Firms Still Working on Meeting Diversity Goals	Page 5
• Minority Attorneys Gained Some of the Previous Ground Lost	Page 6
• Women Attorneys Register Mixed Results	Page 7
• Gay Attorneys Continue Upward Trend	Page 7
• Spotlight on Leadership at Signatory Firms	
○ The Importance of Critical Mass	Page 8
○ Expanding Law Firm Partnership Structures	Page 10
○ New York Firms Favor One-Tier Partnership Model	Page 11
• The Flow of Talent in Signatory Firms	
○ Hiring Continues to Be a Key Lever for Increasing Diversity	Page 12
○ Overall Turnover Rises, Heightened Turnover of Diverse Attorneys Contributes to ‘Leaky Faucet’	Page 13
• Status of Major Minority Groups	Page 14
• Use of Part-Time Flexibility Declining	Page 15
• Notes on Methodology	Page 18
• Appendix: Comparative Diversity Benchmark Data	Page 19
• Acknowledgments	Page 22

EXECUTIVE SUMMARY

The 2011 diversity results paint a picture of stagnation for women and minority attorneys. At the micro-level there are improvements to be celebrated, most small, interspersed with signs of slippage. Minority attorneys have reclaimed *some* ground lost during the recession and women continue to improve their representation at the partner level while simultaneously declining among the associate ranks. While new hires across levels are more diverse than attorneys at signatory firms, elevated turnover for women and minorities continues to erode the gains. We were encouraged to find that firms with a critical mass of women on their management committees – defined as three or more – reported better results for women attorneys at every level.

Highlights of the 2011 diversity benchmark report are outlined below.

Signatory firms struggle to meet diversity goals first set in 2003. Signatory firms articulated four primary goals, all targeted to retain gender and racial/ethnic diversity as attorneys progressed from one level to the next, but the 2011 data demonstrates erosion at multiple levels in the pipeline of legal talent. For example, the 2011 new hire class for signatory firms was less diverse by gender than 2011 law school graduates (43.1% versus 47.1%). The diversity profile of new hire classes has been declining in recent years across signatory firms, peaking at 47.3% for women in 2006 and at 28.4% for minority attorneys in 2008. Despite efforts to retain the diversity of senior associates among new partner promotes, women attorneys declined from 44.4% to 33.0% and minority attorneys from 18.7% of senior associates to 16.8% of those elected to firm partnerships in 2011.

2011 benchmark results are mixed for diverse attorneys. Minority associates gained some but not all of the ground lost from 2009 to 2010. Across all minority attorneys representation rose from 16.6% to 17.2% in 2011 after declining from the high of 18.1% in March of 2009. Similarly, minority associates rose to 24.0% in 2011 after declining from 25.0% to 23.5% in the most recent reporting periods. The percentage of women partners continued to grow, rising to a high of 18.3% since the NYC Bar began tracking diversity data - after dipping from 17.8% to 17.5% between the 2009 and 2010 results - while continuing to decline among associates. The representation of openly gay attorneys continues to increase among signatory firms rising to its height at 3.6% in the latest results.

Women saw gains at the very top while minority attorneys declined. Across the full universe of signatory firms, women attorneys registered gains across several leadership roles rising from 17.5% to 18.3% of partners, 17.1% to 17.7% of management committee members and 15.4% to 17.3% of practice group heads. While minority attorneys rose at the partnership level, they witnessed declines in the 2011 results both among practice group heads and at the management committee level.

Women and minority attorneys lack critical mass among key leadership bodies. With a median size of nine management committee members at signatory firms, the median number of women was one and minority attorneys zero amongst this key leadership group. Yet the 2011 data underscored the importance of critical mass; more women on the management committee were associated with greater diversity by gender at nearly every level. For example, firms with no women management committee

members reported 30% of women new partner promotes compared with 42% at firms with three or more women among this leadership group.

Women and minority partners fare better in single-tier firms. Analyzing data across several years, the New York City Bar found that women and minority attorneys were consistently less well represented among equity partners than among income partners. While in 2011 women accounted for 16.9% of equity partners, they represented 24.5% of non-equity partners. Respective results for minority partners were 6.1% and 8.5%. Furthermore, signatory firms employing the one-tier partnership structure indicated higher representation of diverse equity partners than those employing the multi-tier model.

Signatory firms continue to use hiring to enhance diversity. Analysis of 2011 new hire data underscores the importance of hiring as a primary lever for continuing to improve diversity. While minority attorneys comprised 16.6% of all attorneys across signatory firms as of March 2010, they represented nearly one-in-four new hires, across levels, during calendar year 2011. Similarly women attorneys represented 35.3% of signatory firms in 2010 and nearly 42% of 2011 new hires, ranging from entry-level law student graduates entering firms to equity partners joining as lateral hires.

Elevated turnover of diverse attorneys erodes gains. The voluntary attrition rate for signatory firm attorneys rose in 2011, likely reflecting improvements in the economy. Of great importance are the higher turnover rates at every level for women in comparison to men and minority attorneys versus their white counterparts. Elevated turnover rates contribute to the creation of a “leaky faucet” of talent for diverse attorneys. During 2011, 29% of minority mid-level associates and 28% of minority senior associates voluntarily left signatory firms versus 25% mid-level and 23% senior-level white attorneys at the associate level. Women attorneys reported similarly high turnover rates, particularly at the crucial mid and senior-associate levels, which comprise the talent pool for special counsel attorneys and future partners.

Hispanic and Asian attorneys mirror pattern for all minorities of rebounding in most recent results while Black attorneys declined. After dropping from 3.6% of attorneys in 2009 to 3.1% in 2010, Hispanic attorneys rebounded slightly to 3.3% as of the end of 2011 while Asian attorneys remained at 12.8% of associates after declining from the 2009 to 2010 results. Conversely, Black attorneys declined overall and at the associate, special counsel and partner levels in the most recent reporting.

Part-time flexibility decreases in 2011 benchmark results. Usage of reduced-hour flexibility peaked in 2010 at 4.7% of all attorneys, 10.8% of women and 1.4% of men declining to 4.2% overall in the latest reporting. Over 10% of signatory firms do not have any attorneys working part-time while 40% of firms report no men working on a reduced-hour schedule. The gender skew for part-time work is greatest at the associate level and declines among special counsel attorneys and even more so among partners. More than 90% of all associates working part-time are women compared with 75% of special counsel attorneys and 60% of reduced-schedule partners. Women and men use part-time flexibility differently, with men far more likely to reduce their work schedule as they phase toward retirement while women primarily cut back at work in order to manage care taking responsibilities.

Signatory Firms Still Working on Meeting Diversity Goals

In 2003, more than 100 New York City firms signed the New York City Bar’s Statement of Diversity Principles committing to work toward several goals focused on improving the diversity of the pipeline from the entry level all the way through to firm leadership. Based on the 2011 data, signatory firms are collectively struggling to meet these goals and to retain the diversity in the pipeline of legal talent. A review of the goals highlights erosion by gender and/or race at multiple junctures.

Goal #1: Within 3 years, to hire entry-level associates classes that substantially reflect the diversity of graduating law students. In 2011 women represented 47.1% and minorities 23.8% of law school graduates nationally.¹ Among the new associate class of attorneys hired by signatory firms in 2011, 43.1% were female and 25.6% were minority attorneys. Women lagged while minority attorneys represented a greater percentage of 2011 new associate hires.

Goal #2: Within 5 years, to retain the diversity of the entering associate classes as they progressed through the associate ranks. The proportion by both gender and race/ethnicity of new hire classes has been trending downward, peaking for women in 2006 at 47.3% and for minorities in 2008 at 28.4%. The table below illustrates the diversity profile of new associate hires upon first entering signatory firms in comparison to their representation by class year in the 2011 results. The good news is that newer classes have retained more of the diversity from the original class than those from the mid 2000’s. In fact the representation of women attorneys for the new-hire class of 2009 rose through time from 44.5% to 45.5% in the most recent results.

	New Hire Class of 2005	Class of 2005 in 2011	New Hire Class of 2006	Class of 2006 in 2011	New Hire Class of 2008	Class of 2008 in 2011	New Hire Class of 2009	Class of 2009 in 2011	New Hire Class of 2011
Women	45.6%	42.2%	47.3%	45.7%	44.1%	44.0%	44.5%	45.5%	43.1%
Minorities	25.4%	17.5%	28.3%	21.3%	28.4%	25.1%	27.1%	26.2%	25.6%

Goal #3: Within 10 years, to reflect the diversity of senior associates among those promoted to senior counsel and partner roles. While not yet having reached the 10 year mark since the NYC Bar began tracking diversity benchmark data, the 2011 results highlight a clear decline in diversity from the senior associate to senior counsel and partnership levels. Women attorneys represented 44.4% of senior associates as of the end of 2010, 35.4% of special counsel attorneys and 33.0% of new partner promotes as of December 2011. Minority attorneys accounting for 18.7% of senior associates across signatory firms in 2010 comprised just 16.8% of new partner promotes and 10.2% of special counsel attorneys.

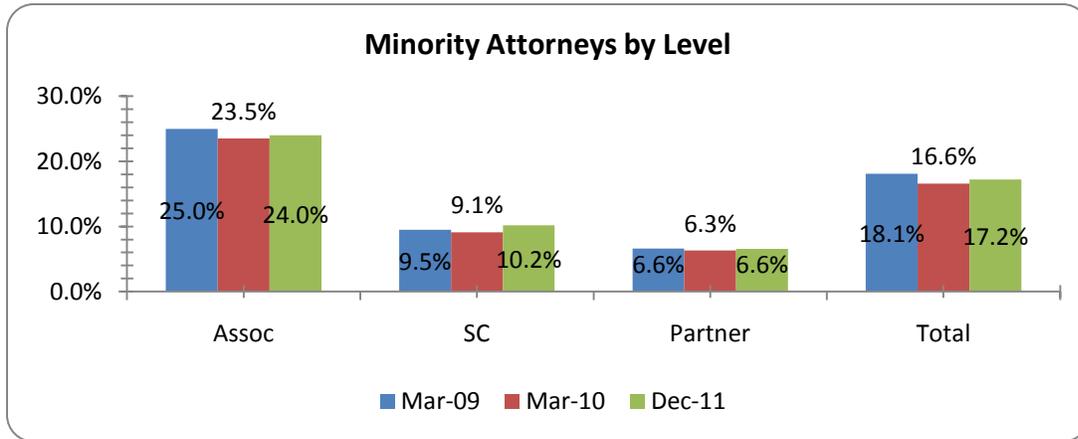
¹ Class of 2011 National Summary Report, Tables prepared by NALP, July 2012.

Goal #4: To have the leadership positions at signatory firms reflect the diversity among senior legal professionals. Among the goals first articulated in 2003, signatory firms have had the greatest success in retaining the diversity of the partnership among top firm leaders. Women attorneys comprised 18.3% of partners, 17.3% of practice group heads and 17.7% of management committee members. The respective figures for minority attorneys were 6.6%, 5.9% and 5.7%. Signatory firms have worked to ensure the top leadership bodies substantially reflect the diversity of their partnerships.

Moving from the longer-term focus to the recessionary period beginning in 2008, there are mixed results for diverse attorneys across signatory firms, with signs of progress accompanied by clear setbacks.

Minority Attorneys Gained Some of the Previous Ground Lost

Minority attorneys gained some of the previous ground lost rising to 17.2% of all attorneys after declining between 2009 and 2010 from 18.1% to 16.6%. Minority associates followed a similar pattern rising to 24% after declining from the 2009 to 2010 benchmark results. Minority partners returned to the representation level first reached in March 2009.



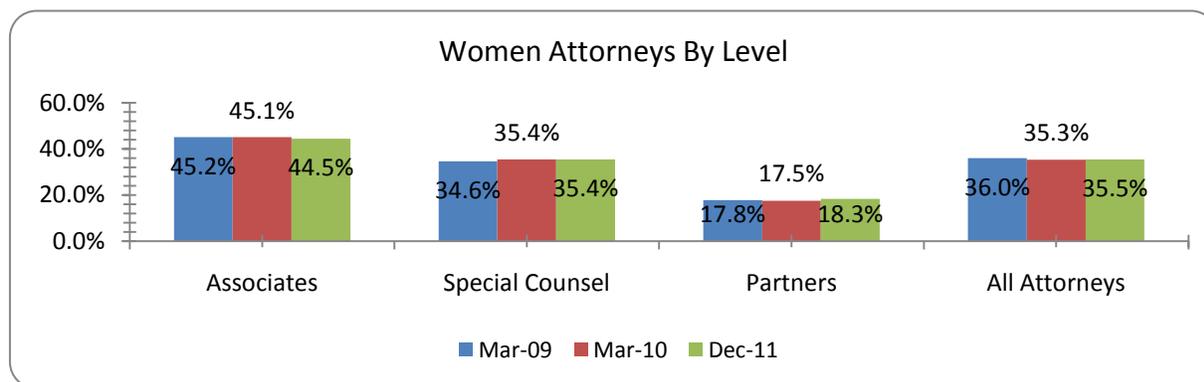
Women of color, as well as men of color, followed the overall pattern of increases in representation from 2010 to 2011 after having declined from their 2009 highs since the NYC Bar began tracking diversity benchmarking data.

	-----Men of Color-----				-----Women of Color----		
LEVEL	March 2009	March 2010	Dec 2011		March 2009	March 2010	Dec 2011
Partner	4.5%	4.2%	4.3%		2.1%	2.1%	2.3%
SC	5.0%	5.0%	5.7%		4.5%	4.1%	4.4%
Assoc	11.2%	10.4%	10.7%		13.7%	13.1%	13.3%
Total	8.7%	7.9%	8.2%		9.5%	8.7%	9.0%

The National Association of Law Placement (NALP) similarly found that the 2010 decline for minority attorneys, the first since they began tracking diversity data, had been reversed in the 2011 results.² At the associate level, after declining from 19.67% in 2009 to 19.53% in 2010, minority attorneys represented 19.90% of associates in the 2011 benchmark data.³

Women Attorneys Register Mixed Results

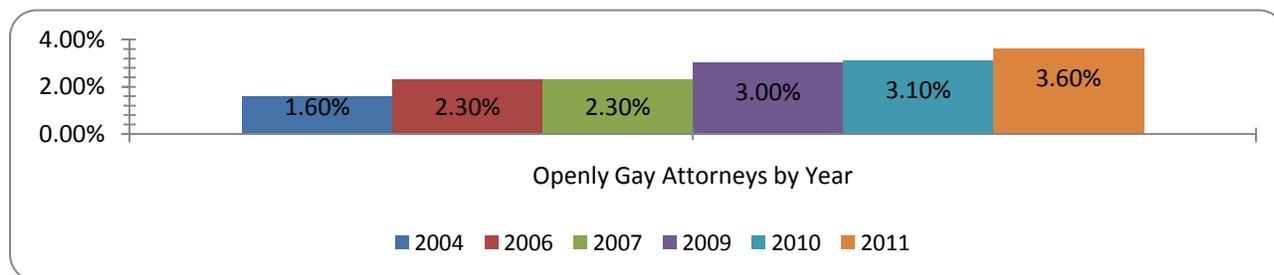
The headlines for women attorneys at signatory firms are simultaneously hopeful and discouraging. Women attorneys lost ground at the associate level but saw gains at the partner level, reaching a new high of 18.3% in the 2011 results. Among all attorneys women increased incrementally regaining some of the ground lost from 2009 to 2010.



In other diversity benchmark reporting, NALP reported women attorneys declined overall and at the associate level but saw increases at the partner level.⁴ The National Association of Women Lawyers (NAWL) reported declines in women associates for the first time since they began tracking benchmark data.⁵

Gay Attorneys Continue Upward Trend

Gay attorneys continued their gradual ongoing trend of increased representation through time. Openly gay attorneys represented 3.6% of all attorneys across signatory firms in 2011, rising from 3.1% in 2010 and from 1.6% in 2004, the first year in which the NYC Bar began tracking diversity data. By level openly gay associates at 4.1% outpaced openly gay partners (2.5%).



² NALP Bulletin, January 2011, www.nalp.org/jan2011wom_min.

³ NALP Bulletin, January 2012, www.nalp.org/women_minorities_jan2012.

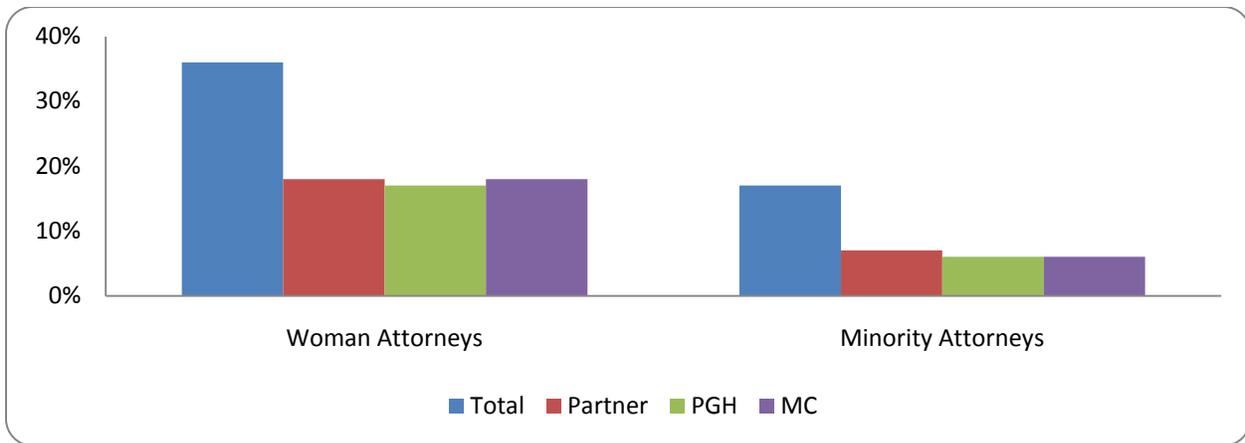
⁴ NALP Bulletin, November 2011, www.nalp.org/20011_law_firm_diversity.

⁵ The National Association of Women Lawyers and THE NAWL Foundation, Report of the Sixth Annual National Survey on Retention and Promotion of Women in Law Firms, October 2011.

Spotlight on Leadership at Signatory Firms: The Importance of Critical Mass

In this section of the diversity benchmarking report, we have taken a “deep dive” into the benchmark data to explore diversity specifically at the leadership ranks of signatory firms. We have analyzed the prevalence of women and minority attorneys among the most senior leadership bodies, as well as assessing potential connections between diverse leadership and greater diversity across the law firm hierarchy. Finally, we probed the data to better understand the diversity profiles of single versus multi-tier partnership structures.

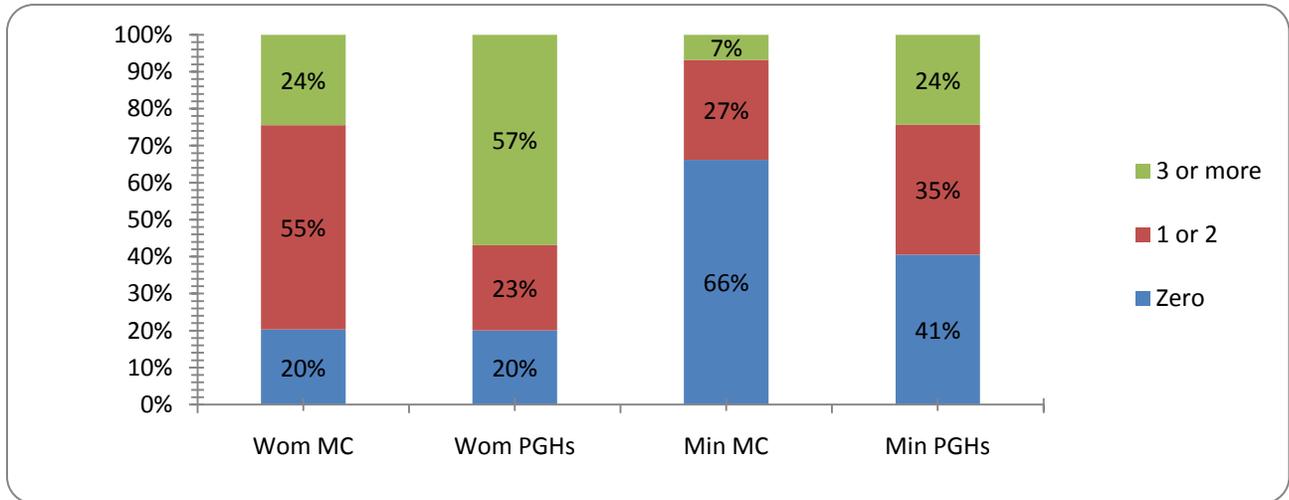
The graph below depicts the familiar plunge in representation for women and minority attorneys as they reach the leadership ranks of signatory firms with women dropping from more than a third of attorneys overall to less than one-in-five law firm leaders and minorities declining from 17% of attorneys to less than one-in-ten among the leadership ranks.



Further analysis of the leadership data highlights the challenge for women and minority attorneys, lacking critical mass in top leadership roles, to influence firm culture and policy. Given the incredible power of the status quo, evolving firm policies (e.g. enabling reduced-hour attorneys to become and remain partners, assessing the fairness of the current system for providing origination credit) as well as changing the day-to-day experiences of diverse attorneys (e.g. ensuring equal access to marquee clients and stretch assignments) are integral to catalyzing more substantial diversity gains. Across signatory firms, the median size of the management committee is nine attorneys while the median number of practice group heads is 19. Women and minority attorneys are sparsely represented in the leadership ranks with comparable median figures of one woman and no minority management committee members, and three women and one minority practice group head, among these leadership groups.

The chart that follows illustrates the percent of signatory firms with zero, one or two, or three plus women or minority attorneys represented among top leadership groups. In 20% of signatory firms there is not a single woman sitting on the management committee, in 55% women account for one or two management committee members, and in 24% of signatory firms there are at least three women represented. Comparable data from NAWL’s 2011 report of the 200 largest firms nationwide are 11%,

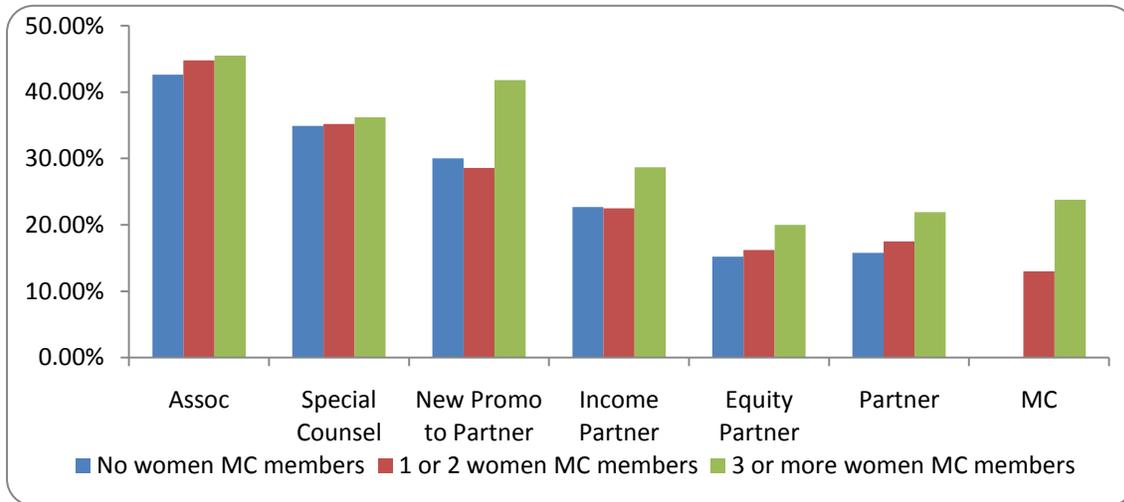
66% and 23% women management committee members.⁶ The dearth of minority representation among top leadership at signatory firms is dramatically portrayed below with two-thirds of firms lacking a single minority attorney on the management committee and over 40% with no minority practice group heads.



Despite the lack of women attorneys in top leadership roles across many firms, analysis of the leadership data uncovered some promising results. The New York City Bar found that having a critical mass of women on the management committee – defined as three or more in our analysis – was associated with higher representation of women at nearly all levels. (The New York City Bar was unable to conduct a similar analysis for representation of minority management committee members due to the very small number of firms with three or more minority attorneys represented among this leadership group.)

A substantial 24% of signatory firms reported a minimum of three women management committee members and among these firms women represented 41.8% of new partner promotes, 21.9% of partners (20% equity and 28.7% income), and 23.8% of management committee members. In contrast signatory firms with no women on the management committee - 20% - reported 30% women new partner promotes and 15.8% of women partners (22.7% income and 15.2% equity partners). It is important to note that this analysis does not measure causality – a very high burden of proof – but it does suggest that having women at the leadership table, not as tokens but reflecting the full diversity of women in the profession and across levels at signatory firms, likely helps to prioritize diversity over the long-term.

⁶ The National Association of Women Lawyers and THE NAWL Foundation, Report of the Sixth Annual National Survey on Retention and Promotion of Women in Law Firms, October 2011.



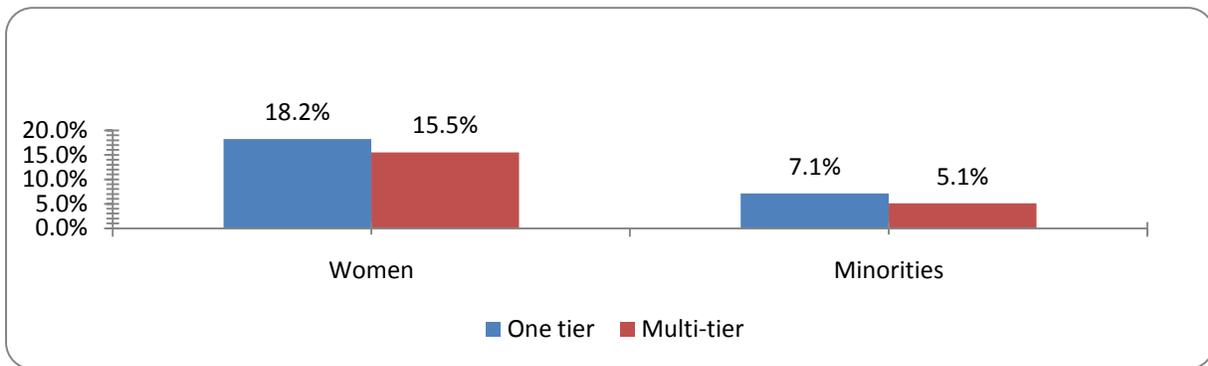
Across the full universe of signatory firms women attorneys registered diversity gains in 2011 among several leadership roles, rising from 17.5% to 18.3% of partners, 15.4% to 17.3% of practice group heads, and 17.1% to 17.7% of management committee members. Conversely, while minority attorneys rose at the partnership level (from 6.3% to 6.6%), they declined among practice group heads and management committee members in 2011.

Expanding Law Firm Partnership Structures

In recent years law firm leadership structures have expanded to include income partners in addition to the traditional equity partner role. The New York City Bar has been tracking the representation of both equity and non-equity partners over multiple years and found, as illustrated below, that women and minority attorneys fare better among income partners than among the equity partner ranks.

	2009 Results	2010 Results	2011 Results
Women partners	17.8%	17.5%	18.3%
Women equity partners	16.2%	15.7%	16.9%
Women non-equity partners	25.8%	23.8%	24.5%
Minority partners	6.6%	6.3%	6.6%
Minority equity partners	6.3%	5.9%	6.1%
Minority non-equity partners	8.0%	7.5%	8.5%

The more complex partnership structures have enabled diverse attorneys greater access to the law firm partnership. However, changes in law firm structures have had mixed results with regard to the representation of women and minority attorneys among equity partners. As illustrated in the following graph, signatory firms employing the traditional one-tier structure report greater representation of diverse equity partners, by both gender and race/ethnicity, than those with the more complex multi-tier model.



Other research organizations tracking diversity progress have also found women attorneys to be more favorably represented as equity partners among law firms with a single-tier partnership model. NAWL reported “The phenomena of two-tier and mixed-tier partnership structures continue to have a negative impact on women lawyers. In terms of both compensation and advancement to equity partnership, women lawyers appear to be most consistently successful in one-tier firms.” NAWL’s 2011 report explored the issue of fixed-income equity partners, those partners who contribute capital to their firms yet enjoy little of the upside potential of equity ownership, and found that women occupy the vast majority of these roles. Furthermore, they found the fixed-income equity partner role was not a stepping stone to full equity partnership with many of these women partners in the prime of their legal careers.⁷

NAFE and Flex-Time Lawyers indicated among the 50 best law firms for women, drawn from a universe of self-selected applicant firms, that women represented 21% of equity partners in one-tier firms and 17% in two-tier firms.⁸

New York Firms Favor One-Tier Partnership Model

NALP collected data on the representation of equity and non-equity partners for the first time in 2011 and based on the data (representing approximately half of the partners in their directory), NALP reported “given the fact that law firm partners are still overwhelmingly white and mostly male, these new findings do not paint a picture as gloomy as many feared.” They found while approximately two-thirds of male partners were equity partners, about one half of women and minority partners held equity status in their firms.⁹

The New York City Bar data showed even more positive results with narrower gaps between attorney groups; 83% of male partners in comparison to three-fourths of female and minority partners reported having equity in their firms.

It is important to note that partners at NYC firms are more likely to report equity status than across the U.S. While 81% of partners at signatory firms have equity, the comparable figure for NALP partners

⁷ The National Association of Women Lawyers and THE NAWL Foundation, Report of the Sixth Annual National Survey on Retention and Promotion of Women in Law Firms, October 2011.

⁸ NAFE & Flex-Time Lawyers Best Law Firms for Women 2011.

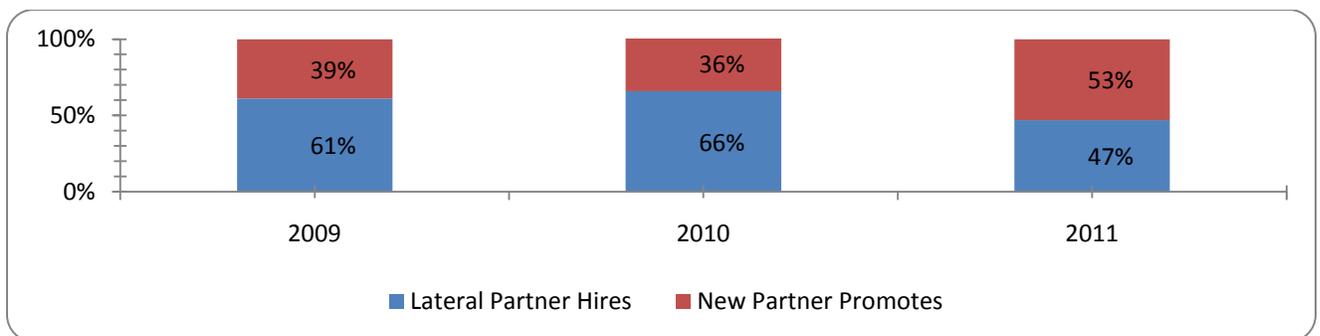
⁹ NALP Bulletin, The Demographics of Equity, November 2011.

nationally is 61%.¹⁰ In addition, 41% of signatory firms, in comparison to 28% of the 200 largest firms across the country reflected in NAWL’s 2011 report, had only one partnership tier.¹¹ Perhaps this skew toward equity status is not surprising among NYC firms given the preponderance of some of the oldest, most respected firms in the country. Interestingly while becoming a partner at a NYC firm is more difficult for women attorneys than nationally,¹² for those who do ascend to the partnership, they are more likely to enjoy equity status. (In contrast to women attorneys, minority attorneys are slightly *more likely* to be partners among NYC firms than nationally. According to NALP’s 2011 results, 6.66% of partners in New York City are minorities in comparison to 6.56% across the U.S.)

The Flow of Talent in Signatory Firms: Hiring Continues to Be a Key Lever for Increasing Diversity

New lawyer hiring across levels continues to be a bright spot for signatory firms. Overall the proportion of women and minorities among new hires exceeds their representation in the profession. For example, while in March of 2010 women accounted for 35.3% of attorneys, they accounted for 41.8% of all new hires ranging from entry-level associates to lateral equity-partner hires during 2011. Similarly minorities were 16.6% of all attorneys at signatory firms in early 2010 and 24.2% among new 2011 hires across levels.

Another positive result in 2011 was the decline in lateral partner hires vis-à-vis new partner promotes. This reverses the trend that was highlighted in previous NYC Bar diversity reports, as well as by NAWL in recent years, noting the changing source of new entries to law firm partnerships. This reversal is encouraging because as a talent pool lateral hires are substantially less diverse by gender and race/ethnicity than the pool of homegrown associates. Given that proactively elevating diverse new partner classes has been among the primary levers used by firms to increase diversity, the reduced dependence on lateral partner hires is a reason to be optimistic for future diversity gains. New partner promotes rose from 36% in 2010 to 53% in 2011 of entering partners, reaching a level last reported in 2006.



¹⁰ NALP Bulletin, The Demographics of Equity, November 2011.

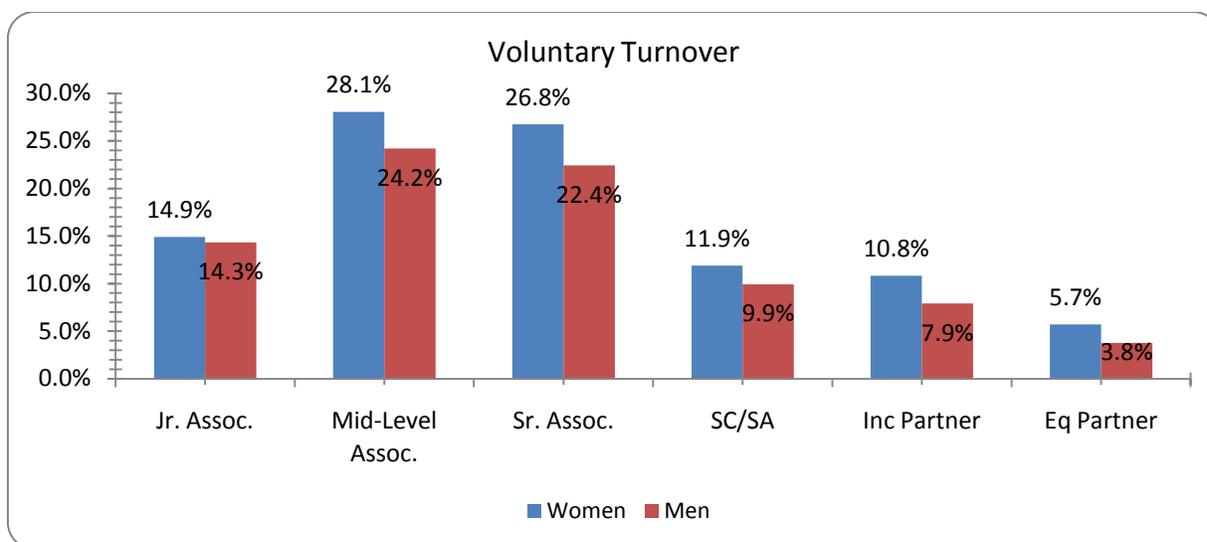
¹¹ NAWL’s October 2011 Sixth Annual National Survey on Retention and Promotion of Women in Law Firms.

¹² NALP report, November 3, 2011, www.nalp.org/2011_law_firm_diversity. Women partners nationally 19.54% and for NYC firms 17.30%.

Overall Turnover Rises, Heightened Turnover of Diverse Attorneys Contributes to a ‘Leaky Faucet’

Voluntary turnover rates increased across signatory firms rising from 10.4% in 2009 to 14.7% in 2011 moving toward the higher turnover rates of the mid 2000’s. Elevated *voluntary* turnover rates may be a sign of improving economic health whereby attorneys perceive and have access to a wider array of employment options. Across levels turnover rates showed a familiar pattern rising from 14.6% of junior associates to a peak of 25.9% for mid-level associates, declining to 24.4% of senior-level associates and then dropping substantially to 10.6% of special counsel and 5% of partners at signatory firms.

A key challenge for signatory firms is the retention of diverse talent. Diverse attorneys leave firms at a higher rate, eroding some of the gains realized from proactive firm efforts to both hire and promote white and minority women, and men of color. Across every level ranging from junior associate all the way to equity partner, the attrition of women attorneys surpassed that of their male colleagues.



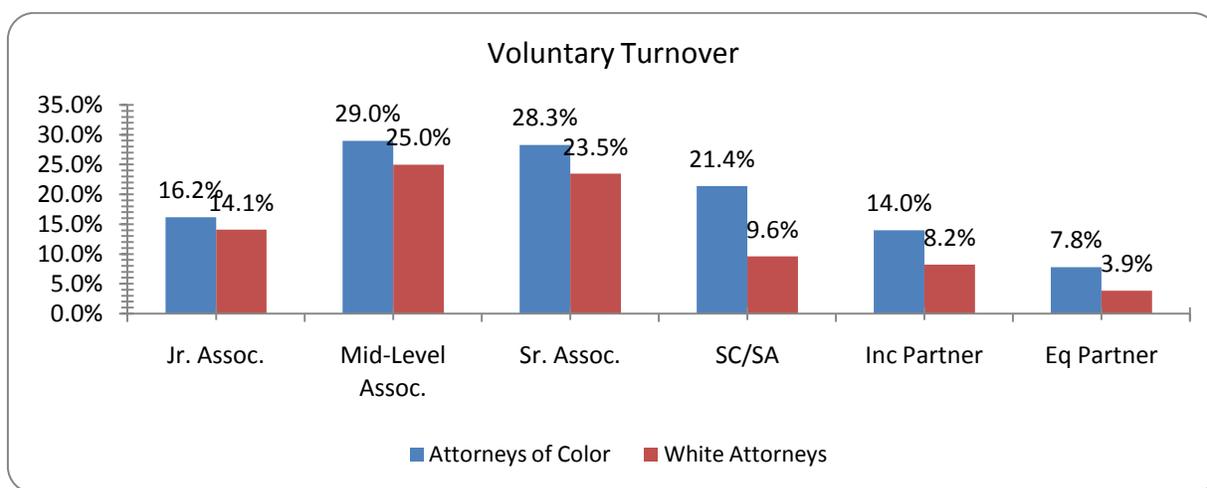
McKinsey’s 2012 report *Unlocking the full potential of women at work* documents the continuing loss of women professionals across several industries. The researchers describe a “fat” funnel in which women enter in high numbers but drop off substantially in the early to mid-career stages. This model characterizes the experience of law firms. McKinsey found a similar desire for women and men early and mid-career professionals to advance to the next level (69% women and 74% men) yet a much larger divide by gender regarding aspirations for reaching top management (18% women and 36% men). McKinsey researchers identify a focus on mid-career women as providing the greatest opportunity for change reporting, “Companies can build on women’s short-term aspirations to motivate and help them grow into directors and VPs. Each step builds confidence to take the next.”¹³

The 2011 NYC Bar turnover numbers illustrate the difficulty signatory firms confront – the leaky pipeline – as they seek to retain diversity as attorneys move through the ranks. McKinsey emphasized hands-on

¹³ 2012 Special report produced exclusively for The Wall Street Journal Executive Task Force for Women in the Economy, April 30, 2012. McKinsey & Company. *Unlocking the full potential of women at work* by Joanna Barsh and Lareina Yee.

leadership starting at the top as among the key levers for driving change. The signatory data on the higher representation of women attorneys across the pipeline in firms with at least three management committee members is consistent with this finding.

The disparity in voluntary turnover for attorneys of color, in comparison to their white counterparts, is even greater than the disparity by gender. Without a substantial voice from the top recognizing and advocating for attorneys of color, doing the hard work of driving change over the long-term, the erosion of minority attorneys continues. Minority attorneys encounter challenging work environments, indicating less access to opportunity and less optimism about their future professional success at large law firms.¹⁴ Disparate turnover is the ongoing result.



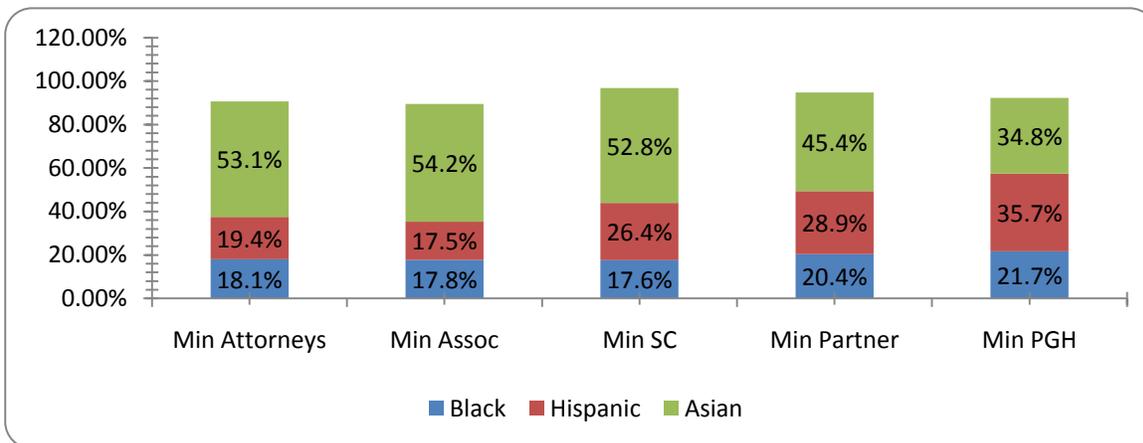
Status of Major Minority Groups

Mirroring the pattern for minority attorneys on the whole, Hispanic and Asian attorneys increased in 2011 after declining from the 2009 to the 2010 benchmark results. The representation of Black attorneys across signatory firms declined in 2011 from 3.4% to 3.1% and at the associate, special counsel and partner levels.

LEVEL	-----Black-----			-----Hispanic-----			-----Asian-----		
	March 2009	March 2010	Dec 2011	March 2009	March 2010	Dec 2011	March 2009	March 2010	Dec 2011
Associate	4.6%	4.6%	4.2%	4.6%	4.0%	4.1%	13.8%	12.8%	12.8%
Special Counsel	2.0%	1.9%	1.8%	2.0%	2.1%	2.7%	5.1%	4.3%	5.3%
Partner	1.4%	1.7%	1.3%	1.9%	1.7%	1.9%	3.2%	2.6%	3.0%
Total	3.4%	3.4%	3.1%	3.6%	3.1%	3.3%	9.9%	8.7%	9.0%

¹⁴ Sustaining Pathways to Diversity: The Next Steps in Understanding and Increasing Diversity and Inclusion in Large Law Firms, the Minority Corporate Counsel Association.

Asian attorneys represent the majority of minority attorneys accounting for 53.1% of minority attorneys and 54.2% of minority associates. A curious ongoing trend is the decline for Asian attorneys – vis-à-vis Black and Hispanic attorneys - as they rise to leadership positions at signatory firms declining from over half of minority associates to 45.4% of partners and 34.8% of practice group heads.



Use of Part-Time Flexibility Declining

The NYC Bar began tracking flexibility usage in 2004, collecting information about the use of full-time flexibility – such as telecommuting and flexible starting and stopping times – as well as reduced-hour alternatives. Through time there has been a clear increase in the availability of flexibility from a policy standpoint, yet firms particularly struggle with measuring flexibility on a full-time basis. NAFE and Flex-Time Lawyers indicated in the *Best Law Firms for Women 2011* that fewer than half of the firms had written full-time flexibility policies.¹⁵ Understandably, it is far easier to capture part-time work because of the implications for compensation. The NYC Bar has found that the reported use of full-time flexibility across signatory firms is bifurcated. In the great majority of cases, firms report minimal use of full-time flexibility while in a handful of cases, firms report large numbers of full-time flexibility users, indicating attorneys have broad discretion to flex their hours on a day-to-day basis. Given the pattern of responses, our focus in this report will be on part-time flexibility at signatory firms.

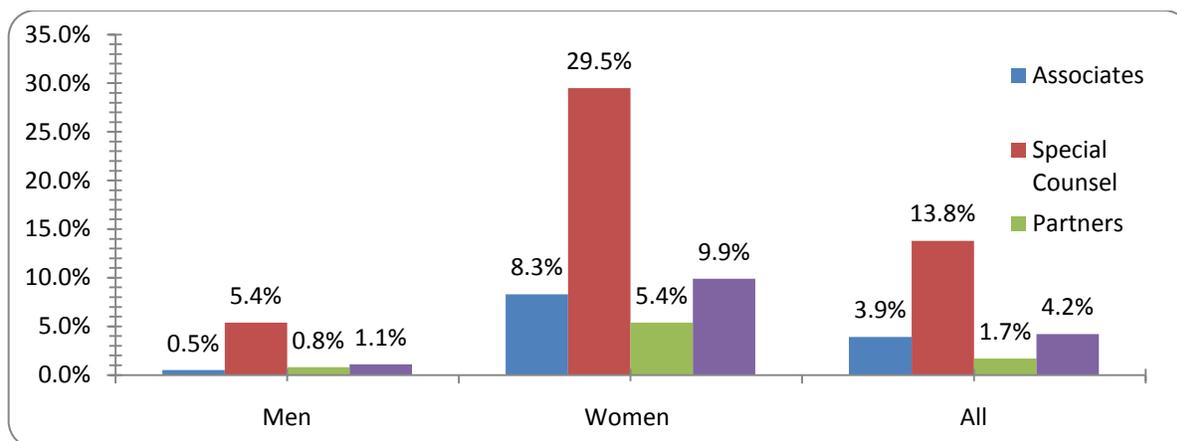
Reduced-hour flexibility at signatory firms is on the decline, peaking at 4.7% in the 2010 results and falling to 4.2% in the latest reporting. Twelve percent of signatory firms have no attorneys working on a reduced schedule while more than 40% have no men working part-time. In addition to declining overall, the usage of part-time flexibility went down for both women and men and at every level.

	2010	2011
Women	10.8%	9.9%
Men	1.4%	1.1%
Associates	4.3%	3.9%
Special counsel	16.3%	13.8%
Partners	2.0%	1.7%
All attorneys	4.7%	4.2%

¹⁵ NAFE & Flex-Time Lawyers Best Law Firms for Women 2011.

For the first time since 1994, when NALP started reporting on part-time flexibility nationwide among law firms, NALP saw a decline in usage from 6.4% in 2010 to 6.2% in 2011. While use of reduced-hour schedules decreased, billable hours at large law firms have risen in recent years, increasing approximately 50 additional hours per year for associates.¹⁶

Attorneys working in special counsel roles – both women and men - make use of part-time flexibility at a far higher rate than attorneys in any other position. While the overall usage rate for attorneys at signatory firms on reduced schedules was 4.2% in 2011, the comparable rate for special counsel attorneys was 13.8%. Perhaps not surprisingly, associates make greater use of part-time work options than partners, 3.9% versus 1.7%.



As has long been the case, women are the primary users of part-time flexibility with one-in-ten women, in comparison to one-in-a hundred men, taking advantage of reduced-hour schedules at their firms. White women in particular, across the four major demographic groups by gender and race/ethnicity, make use of the opportunity to work on a part-time basis. In comparison to 12% of white women, 4.5% of women of color, and approximately 1% of men report usage of reduced-hour flexible work options. Despite the need, women of color report great reluctance to work less than full-time for fear that it will be “one more strike against them” in their struggle to develop and advance in law firms.¹⁷

Interestingly, part-time flexibility is used differently by women and men across levels with the gender skew being most pronounced at the associate level, followed by special counsel attorneys and finally partners. Among all attorneys on part-time schedules at the associate level, 93% are women and 7% are men. At the special counsel level, 75% are women and 25% are men while among partners, the ratio is much closer by gender with 60% women and 40% men.

Researchers at The Project for Attorney Retention (PAR) conducted an in-depth study on the experience of part-time partners in order to better understand the challenges and opportunities they face. They found that women and men partners employed flexibility for differing reasons. While a number of the

¹⁶ Firms Keep Squeezing Associates, Wall Street Journal, January 30, 2012, page B4.

¹⁷ Reduced Hours, Full Success: Part-Time Partners in U.S. Law Firms, The Project for Attorney Retention, Cynthia Thomas Calvert, Linda Bray Chanow, Linda Marks, 2010.

male equity partners were ramping down professionally on their way toward retirement, women were more likely to use flexibility in order to manage caretaking responsibilities. Part-time partners (most billing between 1,200 and 1,600 hours annually) were characterized as encountering less stigma than associates. This differential use of flexibility by gender is highly instructive. There is a long-term precedent at many firms of senior partners cutting back (as they phase into retirement) yet the terminology and acceptance seemingly share little in common with the modern version of part-time work used primarily by women and special counsel attorneys as a means to manage work-life demands. Can the example of partners, mostly male, working on reduced schedules as they phase toward retirement be leveraged in some way to normalize part-time work as a viable alternative for a multitude of circumstances?

Comparison of flexibility usage among NYC Bar signatory firms with other sources of legal diversity benchmark data indicates mixed results. Among the *Best Law Firms for Women 2011* the average reduced-hour usage rate was 10%. “Best firms” are chosen from a universe of law firms nationally that voluntarily report on multiple pieces of information relating to the development and advancement of women attorneys.

NALP reported in their 2011 results that 6.2% of attorneys at firms nationally worked on part-time schedules with wide geographic discrepancies; New York City firms were well below the national average. As illustrated below, signatory firms outperformed the New York City firms tracked in the NALP results among associates yet lagged in the usage of flexibility at the partner level.

	NYC Bar	NALP National	NALP NYC
Women Associates	8.3%	10.0%	7.0%
Men Associates	0.5%	1.0%	0.5%
Women Partners	5.4%	11.8%	6.5%
Men Partners	0.8%	1.5%	0.9%
All Associates	3.9%	5.1%	3.4%
All Partners	1.7%	3.5%	1.9%

NOTES ON METHODOLOGY

- Signatory firms completed an on-line diversity survey during the spring of 2012.
- The data is based on the responses of 74 law firm signatories to the New York City Bar's Statement of Diversity Principles and represents a 68.5 percent response rate.
- Representation data was reported as of the end of fourth quarter 2011 while hiring and turnover data represent figures for the 2011 calendar year.
- The data represents only the New York City area offices of the signatory firms except leadership figures (e.g. management committee, practice group heads) which are firm wide.
- The special counsel category in the survey represents senior attorneys, typically with particular expertise in a substantive area of the law.
- The turnover data requested was for voluntary attrition only. It does not capture those attorneys who may have been asked to leave their firms (e.g. layoffs, performance problems).
- Signatory firms were asked to indicate if they tracked information on 1) openly gay attorneys 2) disabled attorneys and 3) attorneys working on flexible schedules. In all cases, these figures likely under-represent the true population of attorneys in these categories because even if asked, some attorneys may not choose to share this information.
- The demographic categories and terminology employed by the National Association of Law Placement (NALP) were used in the diversity benchmark survey. The categories of attorneys for which data was collected included Women, Men, American Indian, Asian-American/Pacific-Islanders, Black, Hispanic, Multi-racial, Openly Gay, and Attorneys with Disabilities.
- NOTE: The full set of data tables providing aggregate results of the data provided by signatory firms can be found on-line at the New York City Bar's website under the diversity tab.
<http://www.nycbar.org/diversity/benchmarking-reports>

Appendix: Comparative Diversity Benchmark Data

	Women	Men	Minority	Gay	Women PT	Men PT	Attorneys PT
Associates – NYC Bar 2011	44.5%	55.5%	24.0%	4.1%	8.3%	0.5%	3.9%
NALP 2011 - National Data	45.4%		19.9%	2.4%	10.0%	1.0%	5.1%
NALP 2011 – NYC Data	44.7%		24.0%		7.0%	0.5%	3.4%
NAFE/ FLEX 2011 – “50 Best Firms” (national)	47%	53%					
NAWL 2011 – 200 largest firms (national)	47% 1 st /2 nd yrs 44% 7 th yrs						
Partner – NYC Bar 2011 (Non-Equity/ Equity)	18.3% (24.5%/16.9%)	81.7% (75.5%/83.1%)	6.6% (8.5%/6.1%)	2.5% (2.8%/2.4%)	5.4% (5.3%/5.5%)	0.8% (2.2%/0.6%)	1.7% (3.0%/1.4%)
NALP 2011 - National Data	19.5%		6.6%	1.4%	11.8%	1.5%	3.5%
NALP 2011 – NYC Data	17.3%		6.7%		6.5%	0.9%	1.9%
NAFE/ FLEX 2011 – “50 Best Firms” (national)	28% non-eq/ 19% eq	72% non-eq/ 81% eq					
NAWL 2011 – 200 largest firms (national)	25% non-eq/ 15% eq						

	Women	Men	Minority	Gay	Women PT	Men PT	Attorneys PT
All Attorneys – NYC Bar 2011	35.5%	64.5%	17.2%	3.6%	9.9%	1.1%	4.2%
NALP 2011 - National Data	32.6%		12.7%	1.9%	13.4%	2.7%	6.2%
NALP 2011 – NYC Data	35.1%		17.4%		9.1%	1.4%	4.1%
NAFE/ FLEX 2011 – “50 Best Firms” (national)							10.0%

	Women	Men
Management Committee – NYC Bar 2011	17.7%	82.3%
	20% firms no women MC members/ 55% 1 or 2/ 24% 3+	
NAFE/ FLEX 2011 – “50 Best Firms” (national)	19%	
NAWL 2011 – 200 largest firms (national)	11% firms no women MC members/ 66% 1 or 2/ 23% 3+	
Managing Partner/ Firm Chair – NYC Bar 2011	9.3%	90.7%
NAFE/ FLEX 2011 – “50 Best Firms” (national)	10% chairperson/ 12% managing partner	
NAWL 2011 – 200 largest firms (national)	5% managing partner	

	Minority	Minority Women	Black	Hispanic	Asian
Associates – NYC Bar 2011	24.0%	13.3%	4.2%	4.1%	12.8%
NALP 2011 - National Data	19.9%	11.0%	4.3%	3.8%	9.7%
NALP 2011 – NYC Data	24.0%	13.4%	4.4%	4.4%	13.0%
Partner – NYC Bar 2011	6.6%	2.3%	1.3%	1.9%	3.0%
NALP 2011 - National Data	6.6%	2.0%	1.7%	1.9%	2.4%
NALP 2011 – NYC Data	6.7%	2.3%	1.3%	1.9%	3.2%

Acknowledgments

This report was created under the leadership of Carey Dunne, President of The New York City Bar; Barbara Berger Opotowsky, Executive Director and Alan Rothstein, General Counsel. Lisa D'Annolfo Levey, founder of Libra Consulting and Amy Lankenau McPherson, of ALM Consulting together led the research and writing effort. Elizabeth Dorfman and Martha Harris from the Office for Diversity provided invaluable assistance to the project. Special thanks to Deloitte Financial Advisory Services LLP for their extraordinary support of this effort, especially Wendy Schmidt, Daniel Krittman, Sara Vandermark, and Rachel Katz. SPSS fielded the web survey. Our greatest appreciation goes to the individuals at each law firm that took the time to complete the survey.