Legal Depts. Ask Firms for Diversity, Make Efforts In-House

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SAN FRANCISCO — As corporate legal departments push for increased diversity in the outside counsel they hire, many departments are mirroring those efforts in-house, working with a national organization that provides training and education to minority attorneys through several programs.

Early this year, HP Inc. said it would withhold payments from outside counsel that do not meet diversity requirements. And an April 3 The New York Times report said Facebook Inc.'s legal department requires outside counsel teams working directly on a matter to be 33 percent composed of women and ethnic minorities. Law is still one of the least diverse professions, according to many surveys.

For Adobe Systems Inc., it makes sense to have a diverse organization that can meet the needs of diverse customers and business partners in several countries, said general counsel Michael Dillon. And diversity makes an organization "resilient," Dillon said.

"This may be a little strange, but I always think of monoculture and agriculture," Dillon said. "Farms that have a single type of corn, or banana, if bacteria or a pathogen hits that, it could wipe everything out. They aren't diverse. They aren't resilient."

Enter the Leadership Council on Legal Diversity’s program Pathfinder, specifically focused on minority lawyers with three to six years of experience. The organization is based in Richmond, Virginia. The program, in its second year, hosted its first meeting for 2017 on March 30 at Adobe's headquarters in San Jose, California. Another meeting for attorneys located far from California is happening this week, hosted by Harley-Davidson Inc. in Milwaukee.

The program, said LCLD program director Lori Lorenzo, aims to teach its enrolled attorneys about networking, career development and personal branding. The attorneys cannot "self-select," Lorenzo said, and must be nominated by managers in their companies or law firms. Each organization can send two attorneys—called "pathfinders"—and the program lasts six months, with in-person meetings, online training and education about time management, internal biases and goal-setting, lunches and check-ins from program facilitators.

Lisa Konie, senior director of legal operations at Adobe, and facilitator for two pathfinders this year, said the program introduces Adobe to a diverse set of lawyers. And she said Adobe posts
internships and open positions with LCLD, which helps build a "diversity pipeline" for the company, potentially drawing more diverse attorneys in the future.

Konie said that, though the Pathfinder program is only two years old, it's been well-received.

"This is information that doesn't get a focus in law school," Konie said, mentioning that lawyers took a personality test over the weekend and learned how to best network according to their personal strengths. "This demo of young attorneys are sponges that are really looking for information."

The program this year includes 147 young attorneys, Lorenzo said, with a breakdown of about 25 in-house attorneys and roughly 120 law firm attorneys. She said participating companies this year include Microsoft Corp., Wal-Mart Stores Inc., Allstate Corp., GlaxoSmithKline, PayPal Inc., Google Inc., Viacom Inc., McDonald's, Eli Lilly and Co., MasterCard and Abercrombie & Fitch Co., which also sent lawyers to this year's program, has volunteered to host the program in 2018.

In past years, several companies, including some whose lawyers are currently in the Pathfinder program, have relaunched efforts into increasing gender and racial diversity within outside counsel. In September 2016, two dozen GCs and chief legal officers at Fortune 1000 companies, including HP, signed a letter in agreement with the American Bar Association's resolution that urged corporate legal departments to hire law firms that increase diversity representation. General counsel at Eli Lilly, Viacom and Wal-Mart signed the letter. Microsoft, one year after it revamped its diversity program to reward outside counsel with bonus payments, said the program was working.

Lorenzo said she is not an expert in judging the various diversity improvement models used by the above companies, but she said she likes the programs offered by her organization because they include conversations between both in-house counsel and outside counsel.

"It's not just one side of the equation guessing at what the other side wants or needs," Lorenzo said. "It's helpful to have the GCs and the managing partners coming together, focusing on issues and agreeing together to create some change."

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