

What the NALP Directory of Legal Employers Data Tell Us about Diversity in Law Firms

2010 NALP Annual Education Conference

April 29, 2010
San Juan, Puerto Rico

William D. Henderson
Indiana University School of Law -- Bloomington

- ❑ **Baseline observation:**
 - Female and minority attorneys leave large law firms at higher rates than white males.

- ❑ **Explanatory theories:**
 - Discrimination
 - Tracking and seeding
 - Lack of effective mentoring
 - Preference → gov't, nonprofit, in-house

- ❑ **Research Question:** Is female and minority attrition affected by recruitment and/or self-selection patterns that vary by:
 - Firm size or prestige
 - Geography
 - Diversity of partnership?

Informal Mentoring

Mentors	Associate Protégée			
	White Female	Minority Female	White Male	Minority Male
≥ 1 white female	43%	41%	29%	21%
≥ 1 minority female	4%	27%	1%	10%
≥ 1 white male	67%	49%	74%	71%
≥ 1 minority male	4%	29%	8%	18%

Adapted from *Visible Invisibility* (ABA 2006)



Most common match (by type of mentor)



Least common match (by type of mentor)

Sample

2005-06 NALP Directory of Legal Employers

- ❑ Office level data of 613 law firm employers in 108 metropolitan areas
 - Aggregate firm data of non-regional firms was excluded
 - 1445 discrete offices; 878 offices (60.8%) are Am Law 200 firms
 - In 2004, offices hired 6020 entry level associates (15.5% of all 2004 JD graduates) and 1049 judicial clerks.

- ❑ Office level data broken down by:
 - Job title, race, gender, disabled and openly gay.
 - Summer associate, entry-level, and judicial clerk hiring
 - Weighted average starting salary = \$115,620

Breakdown by Subgroup & Title

Pipe line → To Partner | "Off Track" Categories

Group / Subgroup	Summer Associates	Associates	Partners	Of Counsel	Senior Attorneys	Staff Attorneys
Male	51.1%	55.8%	83.0%	75.3%	60.9%	42.3%
Female	49.0%	44.2%	17.0%	24.7%	39.2%	59.1%
Black	7.6%	4.2%	1.4%	1.8%	2.1%	5.0%
Asian	8.9%	7.0%	1.7%	1.8%	2.4%	5.5%
Hispanic	3.8%	3.0%	1.4%	1.3%	1.6%	2.6%

Geography by Gender



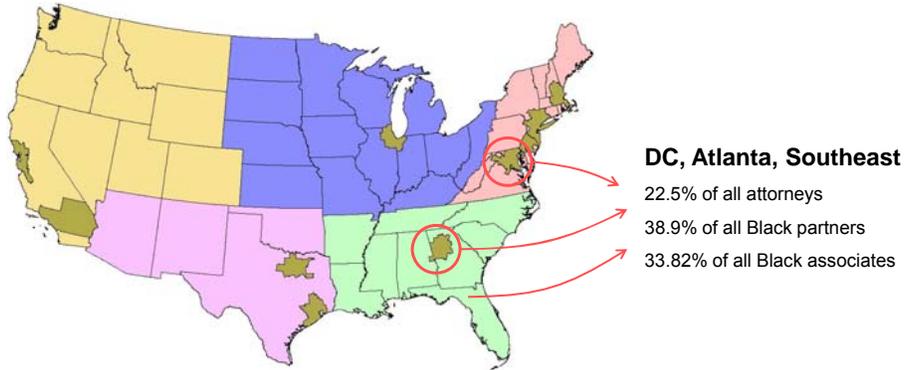
NYC, DC, Chicago, LA, San Francisco, and Foreign offices comprise:

53.9% of all attorneys

47.3% of all female partners

61.3% of all female associates

Concentrations of Black Lawyers



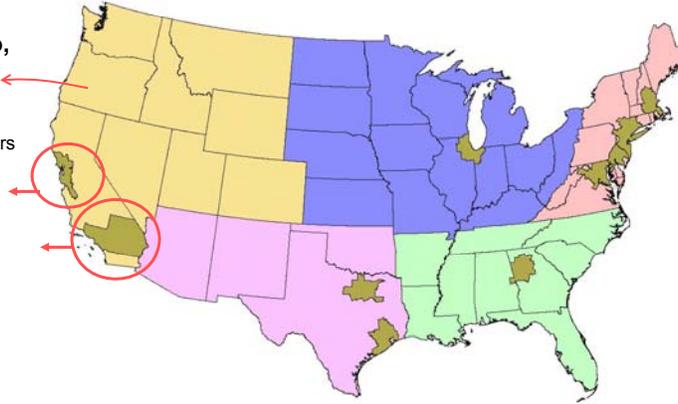
Concentrations of Hispanic Lawyers



Concentrations of Asian Lawyers

LA, San Francisco, Rocky & West

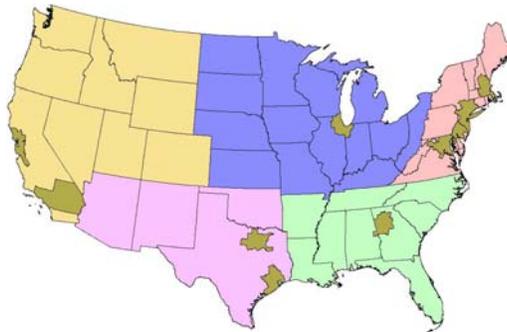
17.5% of all attorneys
 46.8% of all Asian partners
 33.4% of all Asian associates



New York City

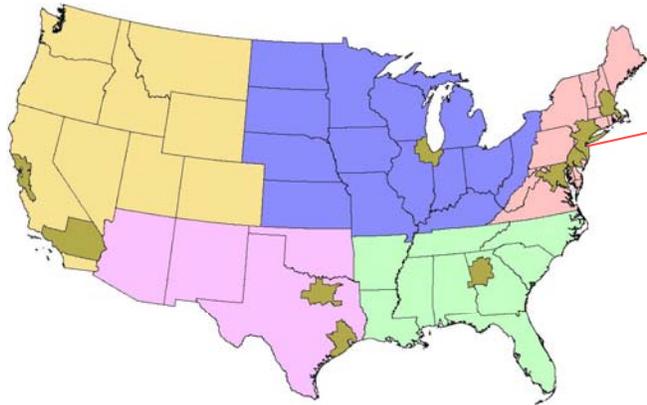
Firms in sample employed
 119,208 attorneys in 2005

Proportionately greater
 growth in Global Cities



Location	Attorneys	% Hired
New York CSA	18.8%	27.3%
Wash DC CSA	12.4%	11%
Chicago CSA	6.6%	7.5%
Los Angeles CSA	5.5%	6.9%
San Francisco CSA	5.5%	6.1%
Boston CSA	3.5%	3.7%
Atlanta CSA	3.2%	3.5%
Dallas CSA	3.1%	3.3%
Philadelphia CSA	3.0%	2.9%
Housto CSA	2.6%	2.6%
Total	64.2%	74.8%

New York City



New York City CSA:

18.8% of lawyers
14.0% of all partners
12.1% female partners
23.0% female associates
10.2% of black partners
24.0% of black associates
13.7% of Asian Partners
32.0% of Asian Associates
12.4% of Hispanic Partners
25.6% of Hispanic Associates

Key takeaway: NYC is highly heterogeneous at associate level but highly homogenous at the partnership level.

Regression Results

(Predicting % of associates by group)

1. Large Office attracts Black and Hispanic associates
2. Multi-Office Firm attracts Black, Hispanic, and Asian associates
3. Geography matters
 - (+) Female → drawn to NYC, DC, San Francisco
 - (+) Black → drawn to DC, Atlanta, Southeast
 - (+) Hispanic → drawn to LA
 - (+) Asian → drawn to LA, San Francisco, NYC, Boston, Chicago, DC

Regression results

(Predicting % of associates by group)

4. Partnership gender & ethnicity

- (+) Female partners → female associates
- (+) Black partners → Black associates
- (+) Asian partners → Asian associates
- (+) Hispanic partners → Hispanic associates

No crossover effects between racial subgroups

NYC < other Global < 6 to 10

Variable	New York City (n = 79 firms)		DC, Chicago, LA, San Francisco (n = 152 firms)		Boston, Atlanta, Philadelphia, Dallas, Houston (n = 70 firms)
Interesting work**	3.87	<	4.03	<	4.07
Satisfying work**	3.70	<	3.83	<	3.90
Billable policy	3.54	<	3.58	<	3.66
Training & Guidance*	3.46	<	3.57	<	3.65
Management Openness**	3.07	<	3.39	<	3.55
Expected to Stay Two Years**	3.27	<	3.59	<	3.69
Communication re: partnership**	2.65	<	2.94	<	3.07
Overall Workplace Rating*	3.88 ?	<	4.01	<	4.07

* p < .05, ** p < .01, t-test comparing NYC mean to mean of other markets

NYC and Leverage

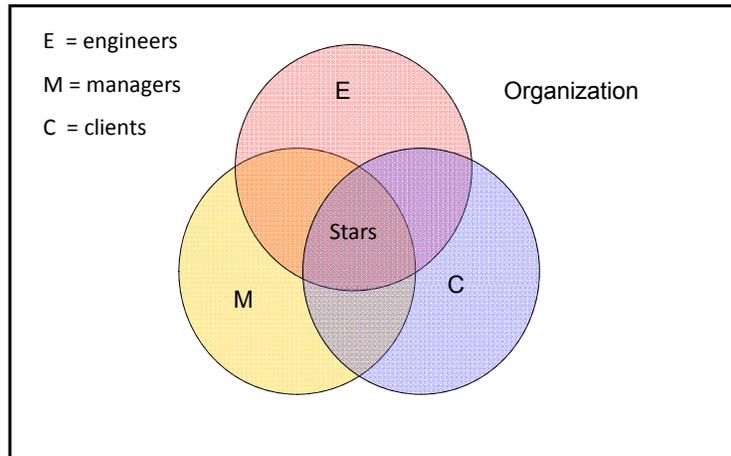
Market	Ration Non-Partners to Partners
New York City	2.09
San Francisco	1.53
Los Angeles	1.47
Washington, DC	1.34
Boston	1.30
Philadelphia	1.29
Atlanta	1.28
Houston	1.25
Dallas	1.20
Chicago	1.00

All five non-major market regions are < 1.00 NP:P

Implications

- ❑ Disconnect between recruitment (based on \$\$) versus retention (linked to ability of firm to offer subgroup mentoring)
- ❑ Unpacking geography reveals significant successes and failures
- ❑ Problem of New York City
 1. Fastest growing
 2. Highly diverse associate pool
 3. Highly leveraged workforce with a small, homogeneous partnership class
 4. Most grueling work conditions

Robert Kelley's Bell Labs Study*



* Original design very similar to Moneyball approach

Robert Kelley's Bell Labs Study

☐ “Star” theories fell into three categories:

- Cognitive abilities
- Social skills
- Psychological traits

NO RELATIONSHIP
between these factors
and status as a star
performer

Robert Kelley's Bell Labs Study

Work Strategies of Stars

1. Initiative
2. Networking
3. Self-Management
4. Perspective
5. Followership
6. Teamwork
7. Leadership
8. Organizational Savvy
9. Show-and-tell

Strategies of Average Performers

- **Organizational Savvy**
- **Show-and-tell**
- Initiative
- Networking
- Self-Management
- Perspective
- Followership
- Teamwork
- Leadership