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Charlotte law firms challenged to hire minorities, women

Corporations use carrots to promote diversity but they may soon add sticks

Charlotte Business Journal - by [Will Boye](#) Staff writer

Lawyers from some of Charlotte's largest corporations say they will keep pushing their law firms to become more diverse, even as a down economy has frozen hiring at most of those firms.

At an event last week at the Charlotte Hilton, corporate lawyers from **Bank of America Corp.**, **Compass Group North America** and **Duke Energy Corp.**, as well as **Dupont** and **Microsoft Corp.**, shared their thoughts on how best to encourage diversity among the legal providers they use.

At Microsoft, for example, the software giant uses carrots such as providing bonuses to firms that have measurably improved their diversity numbers. And BofA requires its top 100 firms to disclose on a quarterly basis how much of the bank's work is being handled by minority or women associates and partners.

Duke is considering sterner measures such as taking legal work away from firms that don't improve the diversity among their ranks.

"The stick is coming, for the relationship firms in this room," said Kodwo Ghartey-Tago, general counsel of commercial business at Duke. "We are going to migrate work from the firms that don't get it to the firms that get it."

The event — sponsored by BofA, Compass and law firm **McGuireWoods** — drew about 200 lawyers. Attendees also got an update on the Mecklenburg County bar's diversity initiative, launched in 2006 to create a more diverse legal community here. This past spring, the bar began gathering statistics from Charlotte law firms about the number of minority lawyers and law students they employ.

The numbers, to be released this fall, will likely be unimpressive, but they shouldn't belie the strides the legal community has made, local lawyers say.

Valecia McDowell, a partner at **Moore & Van Allen** who co-chairs the bar's special committee on diversity, cites a "seismic difference" in the legal community's approach to the issue since she started practicing in Charlotte 11 years ago.

Increasing the number of minority partners at firms is a particular challenge in Charlotte, she says, because of the opportunities to work in legal departments at large companies such as BofA and Duke.

"We lose a lot of lawyers of color and women to our clients," she says. "That's where we in Charlotte in particular have some difficulty."

According to a 2008 study of more than 1,500 law offices across the country by the Association for Legal Career Professionals, the number of minority partners among all law firms was 5.9% of the total, while the number of minority women partners was 1.84%.

At 24 Charlotte law offices with 728 partners, 4.26% of the partners were minorities, while 1.37% were minority women.

At the same time, 33.3% of Charlotte law offices reported having no women partners. That compared with 11.7% of firms nationally. Of the cities studied, only Portland, Ore., had a higher percentage of firms with no women partners, at 34.8%.

The push to improve those numbers is made more challenging by the recession, which has prompted many firms to lay off lawyers and shelve hiring plans. Those moves have included curtailing summer associate programs, which typically serve as a pipeline for talent.

Peter Covington, vice chairman of McGuireWoods, says the current economy has caused firms such as his to spend more time mentoring and developing the minority and women lawyers they already have.

"We're trying to make sure that we keep the people we've got," he says.

Despite the economic turmoil, the Mecklenburg bar plans to continue its legal diversity clerkship program, which just completed its fourth year. The program places first-year law students who are minorities or women in a 12-week summer internship in Charlotte; they split their time between a law firm and a corporate legal department.

McDowell, the Moore & Van Allen partner, says the challenge for Charlotte firms is that young minority lawyers who are in demand remain uncertain about the health of the city's economy and the legal industry here.

"Law school students are really skittish about coming to Charlotte right now," she says. Instead, they are considering "safe bet" cities such as Washington. "That's the challenge we're going to be dealing with."

Diversity scorecard

Here's at look at how some of Charlotte's largest firms fare regarding the diversity of their partners in this market:

•Moore & Van Allen:

Minority partners: 5.17%

Minority women partners: 1.72%

•McGuireWoods:

Minority partners: 2.7%

Minority women partners: None

•Robinson Bradshaw & Hinson:

Minority partners: 2.56%

Minority women partners: 1.28%

•Parker Poe:

Minority partners: 4.69%

Minority women partners: None

•K&L Gates:

Minority partners: 7.14%

Minority women partners: 3.57%

Source: NALP Directory of Legal Employers. Statistics are as of Feb 1.

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