



THE NEW ELLIS GROUP

# Monday Monday

*Connecting the Dots with Karen Kaplowitz*



*Helping you create and reinforce the habits of successful career building,  
gleaned from my work as a business development strategist, trainer and coach*

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## Investing in Diverse Talent: “Recruiting” From Within

Has your law firm increased its recruiting efforts and budget to compete in the current war for diverse talent? Many firms have made major investments to address their diversity deficits, especially for diverse partners. Even during the pandemic, the lateral partner recruiting market for diverse talent has been robust. But recruiting lateral partners is a very expensive way to fix diversity gaps. Before increasing the budgets for lateral partner recruiting, consider these questions:

- Do you know how the rates of attrition of diverse lawyers in your firm compare to the attrition of non-diverse lawyers in the firm?
- Do you know how your law firm’s attrition data for diverse lawyers at every level compares to peers in the industry?
- When you have lost lawyers that you did not want to lose, did you use an independent exit interviewer to obtain candid information on why they left?
- Have diverse lawyers in the firm been saddled with diversity or administrative roles that have diminished their productivity and rainmaking and affected their compensation and status?
- Do you have talent retention plans for high potential diverse lawyers which provide internal support from mentors and sponsors and external support from coaches?
- Do you evaluate and compensate partners based on their success or failure to develop and retain diverse talent?

The race is on to remedy the many diversity gaps in law firms. Before competing for diverse talent in the intense and expensive lateral partner marketplace, can you identify partner “candidates” from your own ranks? Lawyers who have been parked in non-equity or counsel roles? Lawyers who have been kept from reaching their full potential by diversity or administrative responsibilities? Lawyers who left recently and might be enticed to return?

**Example:** In the summer of 2020, the head of a firm’s women’s initiative was invited to a strategy session with firm leaders on racial justice in the firm and in the community. The firm’s leadership was prepared to invest to promote racial justice in the community in many innovative ways, including support for Black and Hispanic entrepreneurs. Firm leaders also discussed substantially increasing recruiting efforts and budgets to recruit more diverse talent, particularly partners.

The head of the women’s initiative offered an additional perspective. She shared data she received from a benchmarking analysis the firm obtained from [Working Mother’s Best Law Firms for Women Initiative](#). Although the firm made the 2020 Working Mother Best Law Firms for Women list, the benchmarking report showed that the firm lagged its key competitors in retaining and promoting women of color. The head of the women’s initiative recommended that the firm identify and invest in high potential women, particularly women of color, who were stuck in counsel or non-equity partnership roles. She recommended that for equity partnership evaluations, that the firm do a pro forma for each counsel and non-equity partner which adjusted their productivity and revenue numbers to show what they could have generated but for their diversity and administrative commitments. She also recommended that the firm assign sponsors to each high potential woman and monitor the sponsors’ activities. She also requested a budget to retain a business development coach for high potential counsel and non-equity partners. The firm’s leadership adopted these recommendations. As a result, the firm was able to elevate more women of color and improve the firm’s attrition and promotion ratings results without grossly increasing the firm’s recruiting budget. One woman who was promoted to equity partner was the head of the women’s initiative herself. When her own numbers were adjusted to account for her diversity leadership, the firm appreciated that she had been undervalued for many years.

Are you investing in the diverse talent your firm already has before pivoting to an expensive external recruiting strategy? What would be the return on investment if you did?

*Karen Kaplowitz is a senior advisor to the Working Mother [now Seramount] Best Law Firms for Women Initiative which recognizes firms for their diversity efforts and results. Seramount also provides diversity benchmarking services so firms can see how they compare to their industry peers. The example in this article is fictional and not intended to reference any law firm or individuals.*