

Equality & Diversity in Law Firms

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Promoting a diverse profession is a regulatory objective and a responsibility we share with everyone working in the legal sector. There's a duty over and above that of many other industries with regard to equality and diversity, as the legal sector is responsible for the fair administration of justice and should reflect the population it serves.

There is positive news and indications that we are moving in the right direction when it comes to gender equality: in 2017 women made up 59% of non-partner solicitors. The percentage of female partners in law firms in 2014 was 25% and this rose to 29% in 2017.

However, The Times reported earlier this year that women working at one of the ten largest legal firms, are being paid on average 43 per cent less than their male colleagues, a wider median gap than last year, when the figure was 42.6 per cent.

It is a sensitive area but a transparent approach needs to be applied consistently, to help staff understand what they have to do to secure a pay rise. If you base initial salary on a person's previous salary, and their individual negotiating power, for example you may accidentally be introducing unfairness and reinforcing existing pay discrepancies, based on gender or ethnicity.

It is clear there is still much work to be done. Not just for gender equality but for the nine protected characteristics covered by the Equality Act 2010 which include: Age, Disability, Gender reassignment, Marriage and civil partnership, Pregnancy and maternity, Race, Religion or belief, Sex and Sexual orientation.

'The Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017' came in to effect 31/03/2017. The specific Duties and Public Authorities element focuses on 'persons by whom a public function is exercisable' and the Public Sector, essentially there are three specific duties: to publish equality information, to publish equality objectives and to publish gender pay gap information. It aims to create a fair environment and firms have a moral and legal obligation to comply with these rules.

As well as compliance, there is also a business case for taking equality and diversity very seriously. Numerous studies have shown that companies that are more diverse are more successful. One study by the Economist Intelligence Unit, sponsored by SAP and SuccessFactors, exploring the challenges of managing an increasingly diverse workforce while highlighting the importance of diversity as a strategic business advantage. 83% of executives reported that a diverse workforce improves their firm's ability to capture and retain a diverse client base.

We know that diverse teams can produce better, more creative ideas because of synergy among contrasting approaches. Further, 82% of the executives surveyed agreed that a strategic approach to managing diversity can help access a rich talent pool. Fostering diversity also offers the opportunity to provide a sensitive, appropriate and highly professional service to all sections of society.

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Fairness in the workplace is also a vital part of a successful business. Happy employees make for a harmonious workplace.

Reporting data

All regulated firms now have to collect, report and publish data about the diversity make-up of their workforce. The SRA collect this data every two years and the last date of collection was 18 July 2019.

In 2017, 92% of law firms reported their data. This includes information from nearly 180,000 people working in almost 9,000 firms. 74% of firms had a response rate from their staff of 90% or more.

The information is gathered through a diversity questionnaire which uses 12 role categories, which combine to form five groups within the law firm diversity tool which can be accessed on the SRA website. The information gathered is anonymous and used to promote diversity in the profession. It also helps monitor diversity and the impact of the changes made, as well as to facilitate research and analysis.

Having a plan

From an individual law firm's point of view their own data is helpful as it can be compared with experience and observation to assess if there is more or less diversity than anticipated. The results can be used to help promote the levels of inclusivity within the organisation. However, this activity needs to be focused and organised. From a survey of 420 law firms, we found that 96% had an equality, diversity and inclusion policy however, only 20% had an action plan to promote disability inclusion.

We can't tell how long it will take to fully address equality and increase diversity because diversity is an emergent outcome of a highly complex system. It is difficult to anticipate and understand how any initiative will impact diversity or how long it will take to see change. However, law firms should be taking steps to improve and promote diversity and inclusion programs to the benefit of the people within the organisation and the organisation itself in return.

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