

Diversity Push By California-Based Firms Is Paying Off

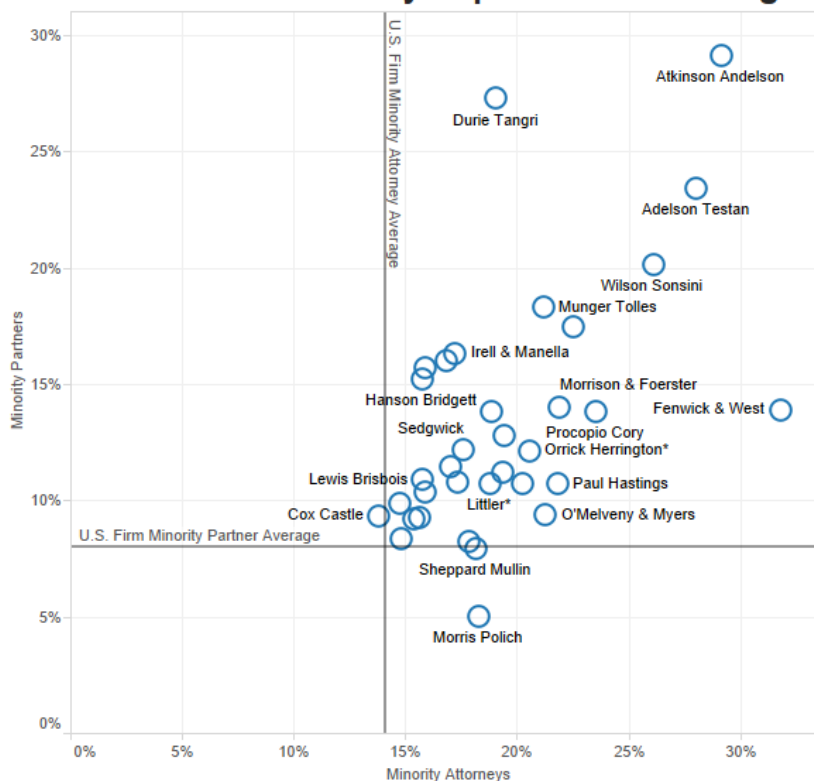
By **Beth Winegarner**

Law360, San Francisco (May 27, 2015, 9:28 PM ET) -- When it comes to creating diverse workplaces, law firms based in California are outpacing their peers nationwide, and their leaders say it's all because they've made diversity a priority, responding to client demands for a diverse workforce when recruiting attorneys from the Golden State's exceptionally multiethnic labor pool.

Among the 289 law firms surveyed for the 2015 Law360 Minority Report, 34 firms based in California reported that 19.81 percent of their attorneys are minorities, including 10.42 percent Asian-Americans, 3.99 percent Hispanics and 2.83 percent blacks. The remaining 255 firms outside California said 13.35 percent of their attorneys are minorities, including 5.47 percent Asian-Americans, 3.18 percent Hispanics and 2.89 percent blacks.

California-based firms are also doing a better job promoting minorities to equity positions, according to Law360's survey. Within the state, 12.41 percent of equity partners are minorities, compared to 6.41 percent for firms outside California.

California Firms' Diversity Tops National Averages



Five of the top 10 firms in Law360's Best 100 Firms for Minority Attorneys are based in California, including Wilson Sonsini Goodrich & Rosati PC, Atkinson Andelson Loya Ruud & Romo, **Adelson Testan Brundo Novell & Jimenez**, Fenwick & West LLP and Knobbe Martens Olson & Bear LLP. Thirty-two in the Top 100 are California-based.

"Wilson Sonsini has been a very diverse law firm since it was founded in 1955, and diversity breeds diversity," said Doug Clark, co-managing partner of the Silicon Valley-based firm, which took the top spot on Law360's Top 100 list. "The Silicon Valley environment cherishes and fosters diversity. People come from all over the world to work in Silicon Valley. Those are two big drivers in our diversity."

As states go, California is certainly diverse. In 2013, the state's population was 39 percent white, 38.4 percent Hispanic, 14.2 percent Asian and 6.6 percent black, according to the U.S. Census Bureau.

"California is an incredibly diverse state. There are so many cultures, so many pockets of really strong communities," said Jeffrey Adelson, general counsel and managing partner of Adelson Testan's Santa Ana office. **"It should be easy for any employer to create a diverse workforce — unless you're avoiding it."**

The demographics also make it easier for California's law schools to turn out graduates from a wide variety of ethnic backgrounds, according to Rabi Narula, partner and chair of the diversity committee at Knobbe Martens.

At California's biggest law schools, including University of California, Los Angeles and Stanford University, roughly a third of students are minorities. At the University of California at Berkeley, it's 39 percent, according to data from the American Bar Association.

Not all California-based firms have made creating a multicultural workplace a priority since day one like Wilson Sonsini, but others have taken steps to boost diversity in recent years, and those efforts are bringing results. That's the case at Knobbe Martens, which launched a diversity committee eight years ago in order to recruit and retain a multiethnic workforce and to foster better relationships with its clients, according to Narula. The committee works closely with the firm's recruiting team to identify diverse candidates and bring them on board, and then the firm provides mentorship so attorneys are more likely to stay, Narula said.

Twenty-two percent of the firm's attorneys are minorities, including 17.45 percent of its equity partners, according to Law360's survey. Knobbe Martens has two offices chaired by women or minorities, and both groups also play big roles in litigation represented by the firm, according to Narula.

"That's something that candidates see, and makes future candidates more likely to come to our firm," he said. After a while, diversity tends to snowball, he added. "Success breeds success."

Fenwick & West's diversity committee digs deep to study issues affecting minorities at the firm and to identify ways to increase ethnic diversity, according to committee member and partner Felix Lee. The committee doesn't just look at, for example, how many Asian-Americans work at the firm, but how many work in particular practice groups, the turnover rate for minority attorneys, how particular minority groups are advancing and other factors, he said.

"It takes a significant amount of work to analyze data at that level of detail, but only then can you find specific areas to improve," Lee said.

That work has allowed Fenwick & West to identify specific practice groups that are lagging behind; often, as soon as they see the data, they're ready to spring into action and turn the numbers around, according to Lee.

"I think everyone has bought into the idea that we need to be as diverse as we can," Lee said. "The firm and our community is progressive enough that I don't think the issue anymore is intentional discrimination. I think we've moved into a new era where implicit bias is the main concern."

There are good reasons why firms in California — as well as across the country — would want a more diverse stable of attorneys. Clark said studies show that multiethnic workplaces boost creativity and other attributes that are "consistent with the excellent practice of law." Likewise, many firms say that a workforce that includes a variety of perspectives and backgrounds is simply good for their bottom lines — in part because it helps them win customers.

"Our clients realize the benefits of diverse workplaces," Clark said. "They're trying to foster diversity of their own, and they want strategic advisers who have the same values. They think they get better representation from us."

There are some obvious benefits to employing attorneys from other cultures, particularly if they're bilingual, Adelson said. His firm handles plenty of workers' compensation and general liability issues, where small-business owners may not be as fluent in English as they are in another language, he said.

When an attorney can explain the law and legal processes to a client in his or her native language, "the outcome for the client is that much better, and their comfort level is that much better," Adelson said.

Lee agreed that the market is pushing law firms to become more diverse as the client base moves in that direction. Attorneys from different cultures and backgrounds bring with them a wider array of talents, and firms should work hard to hold onto and increase their talent pool, he said.

"Firms that lose diversity are needlessly losing talent," Lee said. "Clients recognize if you can't keep the good women, or minorities, or whoever, that's going to impact the quality of representation."

When attorneys come from a variety of cultures and upbringings, they bring with them different ideas of how to attack a legal problem — as well as different ideas of justice, according to Adelson. "The more you have people with different backgrounds the more likely you are to come up with a really good solution."

Although California's firms are doing better than many others when it comes to employing a diverse pool of attorneys, they still don't match the Golden State's multiculturalism. Lee said he doesn't want Fenwick & West — which has won a number of awards for its diversity efforts — to get complacent just because it's near the head of the pack.

"We're doing well by law firm standards, but that's not a particularly high bar to surmount," Lee said. "Our goals should be as diverse as the communities we live in. We are nowhere close to achieving that goal. We have a lot of work to do."

Methodology: Law360 surveyed 289 U.S. firms, or vereins with a U.S. component, about their overall and minority head count numbers as of Dec. 31, 2014. Only U.S.-based attorneys were included in the survey. At firms marked with an asterisk, some attorneys declined to self-identify a race.

--Editing by Chris Yates and Kelly Duncan.
