

## Prepared remarks – Diversity Concepts conference

### Introductory

Hello, my name is Mike Evers. Evers Legal Search is now in its 11<sup>th</sup> year recruiting experienced attorneys for corporate legal departments and law firms. We are based in Chicago, but our practice is national, and we are proud to be a sponsor of the Diversity Concepts conference.

I have some thoughts on retention, promotion and culture issues after a hire is made, but I don't always have the client's ear on those issues. And so, I'll address this topic from the standpoint that I know best – recruiting and hiring.

I'm going to split my prepared remarks into two halves, because I want to point out what, in my view, is a pretty stark and actually, quite ironic, recruiting difference between corporate legal departments and law firms.

### In-house

Let me start off with in-house legal departments, which is where I have the most experience. I have placed over 100 attorneys in-house throughout the country since 1997, and I write the monthly career advice column for *InsideCounsel* magazine.

In terms of creating a culture that welcomes diversity, and in terms of generating a sense of urgency with respect to diversity, corporate legal departments take the leadership role. Examples include Rick Palmore's Call To Action, the increasing influence of the Minority Corporate Counsel Association, and success at the General Counsel level. Within the Fortune 500, 38 chief legal officers are minorities. But I don't think that raw number tells the whole story. Importantly, minority GC's have been particularly successful and high profile. Examples range from David Drummond at Google, to Paula Boggs at Starbucks, to Charles James at Chevron, and the list goes on.

Corporate legal departments also lead on this issue thanks to their purchasing power. They are in a position to demand diversity from service providers, and how they do so with law firms is always a central topic at legal conferences.

And yet, here is the irony when it comes to in-house legal departments: they are actually extremely inflexible in their hiring practices. What I mean by this is -- legal departments hire for specific experience. Since legal departments don't train on the job, they are not in a position to make talent hires. If Caterpillar needs a securities attorney, for example, they will only interview candidates who already have the bulls-eye experience they are seeking. And oh, by the way, the job will be in Peoria, Illinois.

Frankly, this presents an opportunity and a challenge for recruiters. The more specific the experience needed, and the more challenging the geography of the client, the more a company needs to use a search firm. Especially when you layer that challenge with a very sincere commitment to diversity.

Regardless of geography or area of expertise, my world is pretty simple. Either I deliver a diverse pool of candidates with bulls-eye experience, or I'll eventually lose that corporate client.

Thanks to very thorough and publicly available resources – from law firm web sites to numerous legal directories – we can usually do a good job of finding and contacting all of the on-point candidates for any specific opening. Our motto is “leave no call unmade,” as I believe that is the best promise we can make to our corporate clients. Still, networking, writing and speaking can be important in terms of developing candidate referrals and credibility. And that's why I seek out opportunities like this conference.

Truthfully, however, even if the recruiter does everything right, not every company will get a diverse pool of candidates for every opening; that's what we strive for, but it's not automatic. Nonetheless, in-house legal departments are doing a far better job of recruiting diverse candidates than law firms. Three reasons – 1) most importantly, for many, many attorneys, in-house is simply a far more desirable destination versus a law firm, 2) diverse candidates can see minorities in corporate leadership positions, and 3) corporations are ahead of law firms right now in terms of a commitment to diversity.

### Law firms

Now, here is, I believe, the enormous irony as I move my remarks to law firms. I have a theory – and a panel like this is a nice opportunity to pretend that I'm a professor and espouse a theory – I have a theory that law firms are actually better positioned to lead on diversity versus companies. That they haven't is telling and unfortunate. I'll explain.

Law firms are in the talent hiring business. A mid-size legal department may only make a couple of hires a year. And those hires have to meet very specific experience requirements. A mid to large size law firm, on the other hand, must hire almost constantly in order to meet client demands and grow. Law firms have the infrastructure in place to train and, if they are willing, to help a talented attorney switch practice areas.

There are opportunities to hire minorities at all levels – out of law school, as associate laterals, and as partner laterals. As a recruiter, I'm most interested in the lateral market. A law firm can, if it chooses, recruit from any source – raiding other law firms, recruiting from government agencies, the judiciary.... heck, a law firm can even consider an in-house attorney who wants or needs to return to private practice. Corporate mergers and relocations often put good in-house attorneys onto the market.

And yet, we only get one request: “get us partners with at least a \$1M book of portable business. A minority hire would be great if you can do that for us, but we really only want to add someone with clients. And, by the way, please don’t bother us with anyone coming out of government or a legal department.”

Instead of creating such limitations, a law firm could choose another approach. Let’s take, for example, a lawyer with ten years of experience at the Securities and Exchange Commission. No book of business, but desirable expertise and a rolodex of corporate compliance officers who this person knows on a first name basis.

Here is what a law firm could do. It could hire this attorney. Then, instead of paying hundreds of thousands of dollars to a “marketing director,” or I suppose in addition to the marketing folks, the law firm can hire a real sales trainer – perhaps as a consultant if not a full-time hire. Have the sales trainer work with this talented lateral hire and teach her how to leverage her network. Business development can be learned.

Let me be very clear here. I’m not talking about lowering your standards, the catch-all excuse made by name brand law firms that struggle with diversity. On the contrary. I’m talking about recruiting minorities with excellent academics and a track record of career success. It just may be that the career success came outside of a law firm. By contrast, many law firms take on white partners with average academic backgrounds, but who bring business with them.

Since the book of business is so critical, it is important for minority candidates who don’t have it – really for all candidates who don’t have a “Book” yet – to express a genuine desire to build one. No point in training an introvert who would rather chew glass than ask for business. So, when I say talent hire, I’m also referring to candidates with the aptitude to succeed if sales training is provided. Such candidates are out there for any law firm that is willing to be proactive.

That’s just one example of how a law firm can think differently in order to achieve different results. The vast majority of attorneys work at law firms, not in-house legal departments. And so it seems wrong to me that law firms are not driving change. Perhaps it’s because large law firms are owned and managed primarily by white males who struggle with diversifying what are, by Fortune 500 standards, essentially privately owned small businesses. By comparison, large companies are usually owned by faceless shareholders; the corporate hierarchy provides an opportunity for leaders to make change without committees; and companies have discovered, quite simply, that diversity is good for business.

I think it does come down to ownership and rainmaking. If we can increase the number of minorities at name brand firms who have substantial books of business, then the partnerships will yield to diverse ownership. And from diverse ownership, other changes will follow.

I really believe that a law firm that “gets it” has an enormous opportunity to grow and increase its market share. Primarily because a law firm can hire **for talent** at will... it can make an investment in minority candidates with rainmaking potential.