

THE NATIONAL ASSOCIATION OF WOMEN LAWYERS



2020 SURVEY REPORT ON THE PROMOTION AND RETENTION OF WOMEN IN LAW FIRMS

FOREWORD

In these unprecedented times – including a global pandemic, an unfolding economic downturn, and a renewed focus on racial injustice in the United States – the NAWL Survey on the Promotion and Retention of Women in Law Firms (NAWL Survey) is more important than ever. We encourage law firm leaders and the in-house counsel charged with monitoring law firm diversity to use NAWL's extensive research to encourage best practices in areas of opportunity to prevent the current situation from having a disproportionate effect on women and diverse lawyers.

This year's NAWL Survey data reveals opportunities for law firms to examine and enhance practices that impact attorney advancement and transfers of power within law firms. For example, NAWL Survey data demonstrates that firms are most intentional with respect to bias interruption practices in the early stages of the attorney career lifecycle, such as hiring, but less so at the latter stages, including partnership and firm management, where disparities based on gender and other protected characteristics become more pronounced. Survey data also reflects gender-based compensation disparities – which are also more pronounced in the later stages of career advancement – as well as largely undefined succession practices for law firm leadership roles and client relationship transitions. And for the first time, this year's survey includes data on the important and emerging role of the law firm diversity officer.

NAWL encourages law firms to consider the NAWL Survey and the challenges of 2020 as a call to action to ensure no regression or disparate impacts occur with respect to attorneys from under-represented populations, such as those that resulted from the 2008 recession. Likewise, as the NAWL Survey continues to evolve, NAWL commits to more robust data collection and reporting on women of color, including Asian/Pacific Islander, Black, Hispanic/Latinx, and Native American populations. NAWL will also continue its focus on developing and reporting on best practices as well as thought leadership and programming to build bias-free, equitable workplaces.

The NAWL Survey has captured sustained (albeit small) improvement for women amongst equity partners since the survey's inception in 2006 (15% compared to 19% - 21% in recent years). This is a positive trend toward a more representative legal profession, but change at this glacial pace will continue to result in future generations of lawyers entering a profession where women and diverse attorneys are under-represented in positions of power and influence. A continued, rigorous examination of and changes to existing practices – a movement from talk to action – is needed to speed progress in a meaningful way for women and other underrepresented groups.

THANK YOU

to the NAWL Survey Committee

CHAIR**Elizabeth Manno**

Perkins Coie LLP
Denver, CO

BOARD LIAISON**Kristin Bauer**

Jackson Lewis P.C.
Dallas, TX

RESEARCHER**Destiny Peery**

The Red Bee Group
Chicago, IL

DeAnna Allen

Cooley LLP
Washington, D.C.

Kimberly Amrine

Frost Brown Todd LLC
Cincinnati, OH

NAWL EXECUTIVE DIRECTOR**Karen M. Richardson**

Chicago, IL

Paula Hinton

Winston & Strawn LLP
Houston, TX

Su Suh

Intel
Portland, OR

NAWL STAFF**Isabell Retamoza**

Chicago, IL

Leslie Richards-Yellen

Debevoise & Plimpton LLP
New York, NY

Tara Nunez Smith

Walmart
New Orleans, LA

Andrea S. Kramer

McDermott Will & Emery LLP
Chicago, IL

Sandra Yamate

Institute for Inclusion in the Legal Profession
Chicago, IL

EXECUTIVE SUMMARY

NAWL has collected data for the last 13 years demonstrating a consistent and relatively undisturbed pattern of a significant lack of women and people of color in the upper echelon of law firm and legal profession leadership. Further, there has been relatively little progress made in their representation in senior and leadership roles in law firms in particular. Over the last couple of years, NAWL has looked more deeply into the mechanisms underlying these well-known statistics by asking additional questions about policies, practices, and procedures that affect women and diverse attorneys in law firms. In addition, the goal of the NAWL Survey has always been to provide objective statistics regarding the position and advancement of women lawyers in law firms in particular, and the NAWL Survey remains the only national survey that collects this industry benchmarking data in such detail.

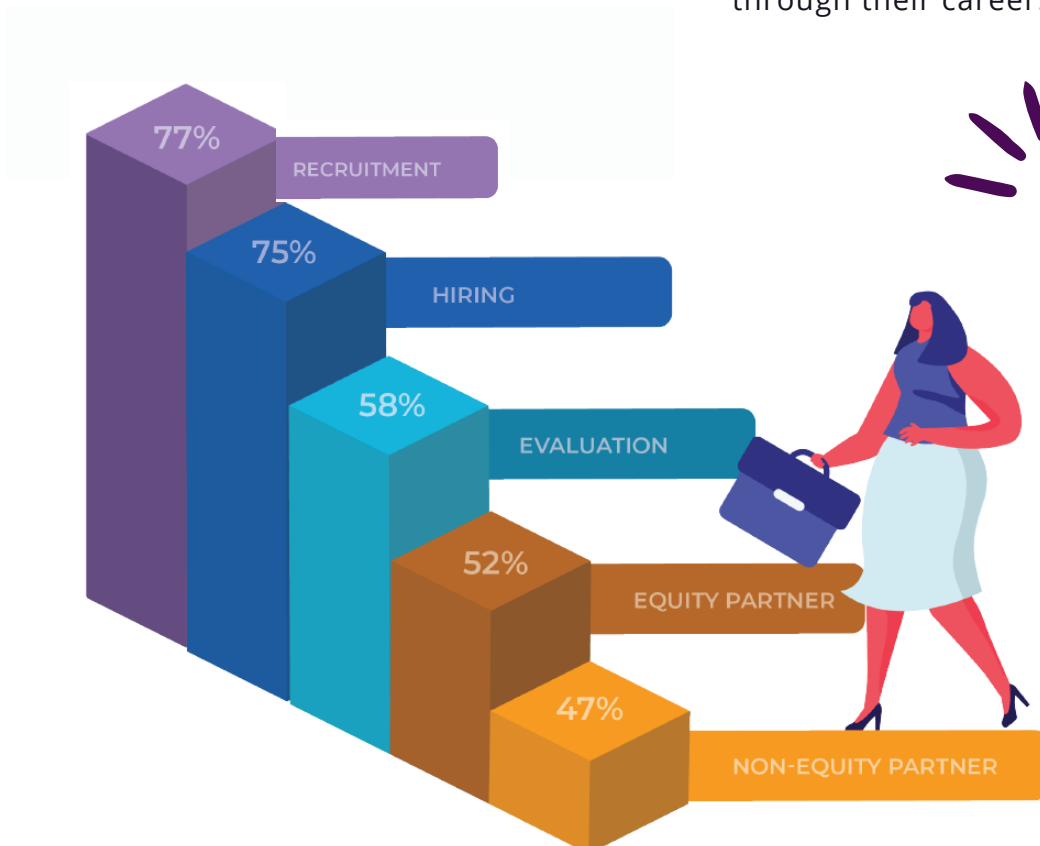
This year presents an important opportunity to provide benchmark data for the bias-interrupting and diversity-promoting activities of law firms before the crisis presented by the coronavirus pandemic arose. The data collected this year reflect the 2019 fiscal or calendar year, so law firms reported on their policies and practices pre-pandemic. This report, then, is a snapshot of a pre-coronavirus legal profession: what law firms were doing (or not) with respect to supporting women and diverse attorneys under “normal” conditions. While this year’s data can’t speak to the impacts of the pandemic on the legal profession, particularly with respect to women and diverse attorneys, this year’s data combined with next year’s data (to be collected nearly a year after the pandemic began), will provide a before and after test of whether the calls to protect diversity and inclusion amidst the current crisis were heeded by the profession.

Because the full report is rich with data, and we encourage you to read the entire report, but we have selected a few takeaways from the report to present here.

FIRMS ARE NOT MAXIMIZING BIAS INTERRUPTION

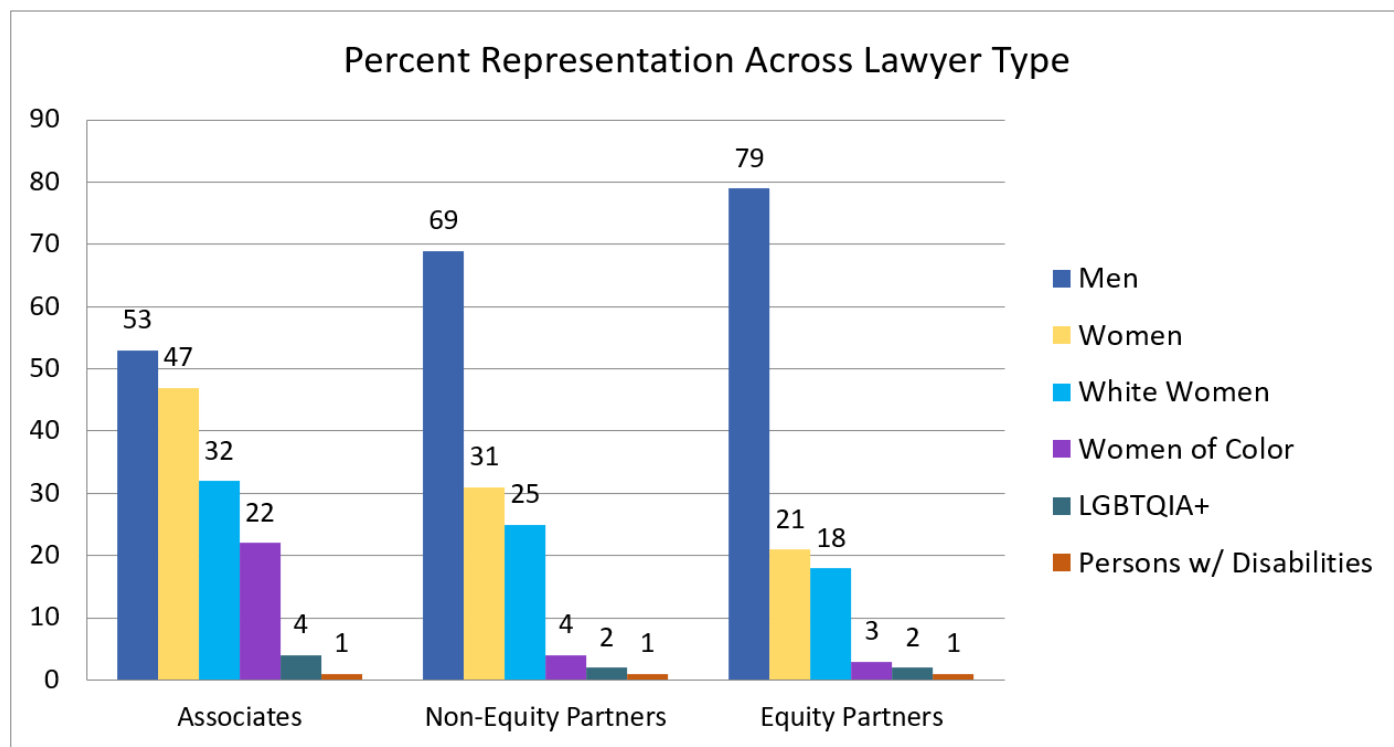
Firms are more likely to engage in bias reduction efforts that do not require changing or standardizing the hiring process or otherwise interfering with the discretion of decision-makers. Nearly all firms say they pursue diverse candidates, but only about half of the firms say that they engage in standard best practices for hiring used in other professional settings, such as setting hiring criteria in advance, using consistent evaluation systems, or otherwise standardizing their processes to treat candidates as equally as possible. This highlights a weakness in the bias-reduction efforts taken thus far by many firms.

Law firms remain reluctant to engage in the processes most likely to reduce biased decision-making, instead preferring activities that signal a commitment to diversity, but that aren't guaranteed to produce it. Firms were more likely to report engaging in bias-interruption earlier in the employment relationship. Since disparities between men and women are much smaller at earlier career stages, the emphasis on bias-interruption at earlier career stages may have reduced disparities at the recruitment and hiring stages, but the stalled progress of women at subsequent levels evidences that firms need to consider expanding their bias-reduction efforts to decisions made once a woman or diverse attorney is at the firm and advancing through their career.

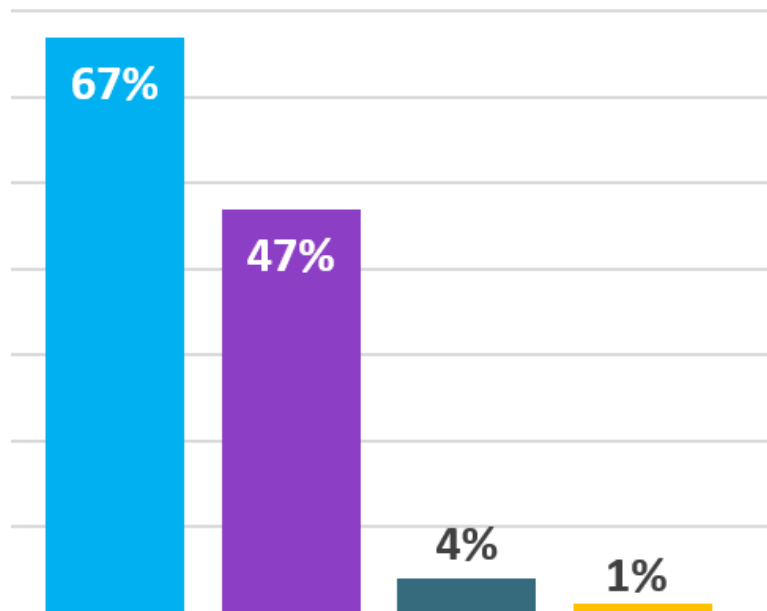


Law firms remain reluctant to engage in the processes most likely to reduce biased decision-making, instead preferring activities that signal a commitment to diversity but that aren't guaranteed to produce it.

BY THE NUMBERS

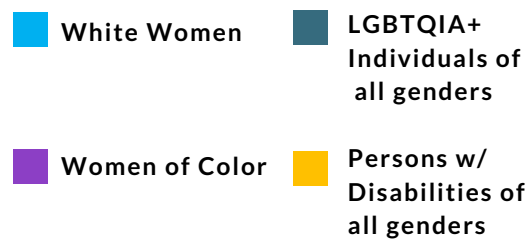


WOMEN AS ASSOCIATES

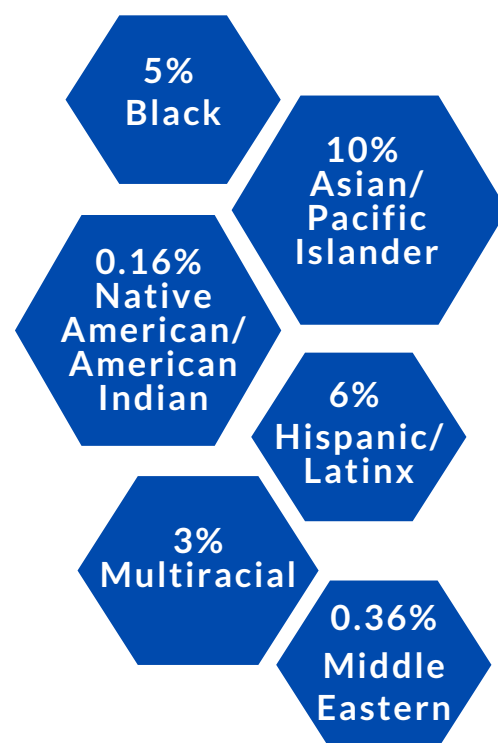


**Some individuals are counted more than once.*

As in previous years, women are about 47% of all law firm associates. About 25% of associates are people of color (5% Black, 10% Asian/Pacific Islander, 6% Hispanic/Latinx, 0.16% Native American/American Indian, 0.36% Middle Eastern/North African, 3% multiracial). White women are 67% of female associates and 32% of all law firm associates. Women of color (including Black, Asian/Pacific Islander, Hispanic/Latinx, Native American/ American Indian, Middle Eastern/North African, and multiracial women) are about 47% of female associates and about 22% of all law firm associates. For those firms reporting numbers, LGBTQIA+ individuals of all genders are still about 4% of associates. Persons with disabilities are about 1% of all associates.



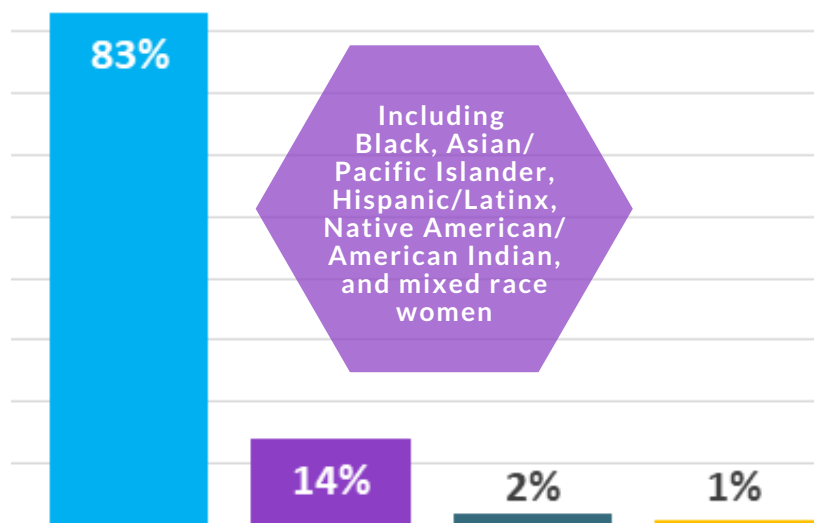
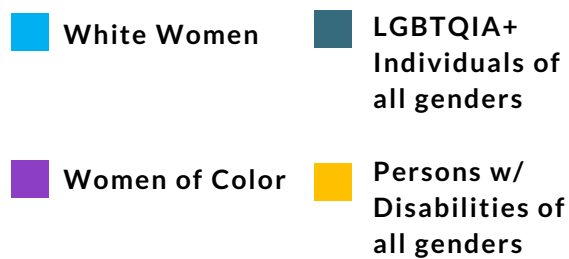
ASSOCIATES OF COLOR



WOMEN AS NON-EQUITY PARTNERS

31%

Women make up 31% of all law firm non-equity partners.

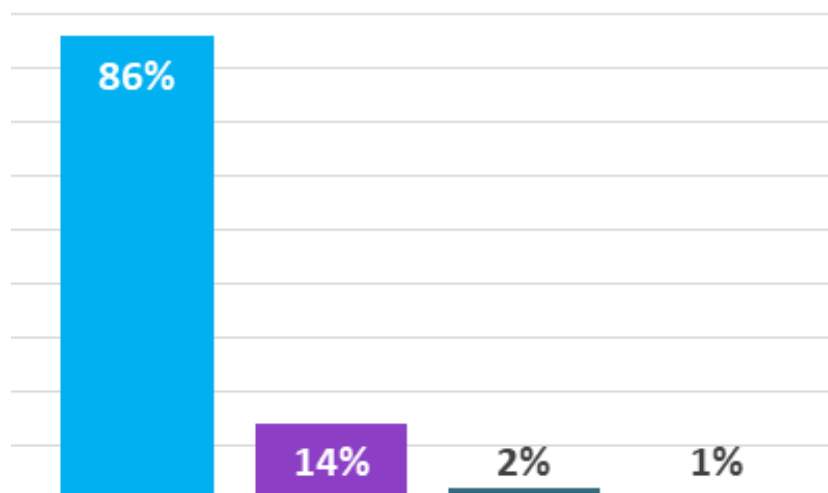


**Some individuals are counted more than once.*

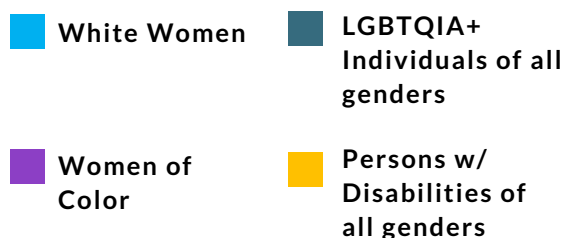
Women are 31% of all non-equity partners. People of color (of all genders) are a little less than 12% of all non-equity partners. White women are 25% of all non-equity partners and 83% of women non-equity partners. Women of color (including Black, Asian/Pacific Islander, Hispanic/Latinx, Native American /American Indian, Middle Eastern/North African, and multiracial women) are about 4% of all non-equity partners and about 14% of women non-equity partners. LGBTQIA+ individuals of all genders are 2% of non-equity partners, and persons with disabilities are about 1% of non-equity partners; these numbers are unchanged from last year.



WOMEN AS EQUITY PARTNERS



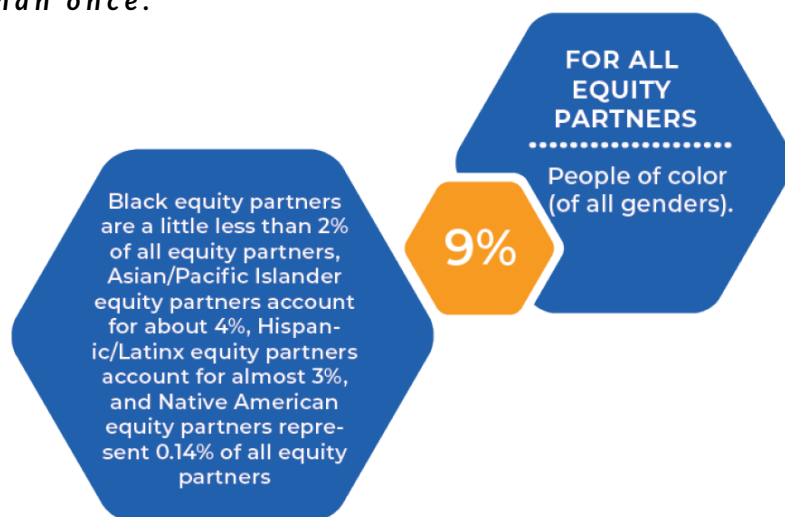
**Some individuals are counted more than once.*



Women are 21% of equity partners. White women represent 86% of female equity partners and about 18% of equity partners overall. In the aggregate, women of color (including Black, Asian/Pacific Islander, Hispanic/Latinx, Native American/American Indian, and mixed race women) represent only about 14% of female equity partners and about 3% of all equity partners. For all equity partners, people of color (of all genders) account for only 9% of equity

21%

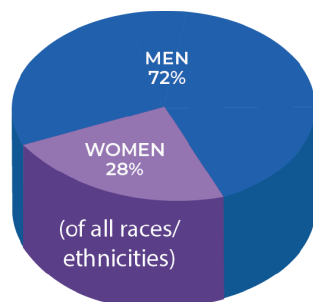
Women make up 21% of all law firm equity partners.



partners (Black equity partners are a little less than 2% of all equity partners, Asian/Pacific Islander equity partners account for about 4%, Hispanic/Latinx equity partners account for almost 3%, and Native American equity partners represent 0.14% of all equity partners). LGBTQIA+ individuals are about 2% of all equity partners and persons with disabilities are less than 1% of all equity partners.

WOMEN IN LAW FIRM LEADERSHIP ROLES

GOVERNANCE COMMITTEES



12% POC
(all genders)

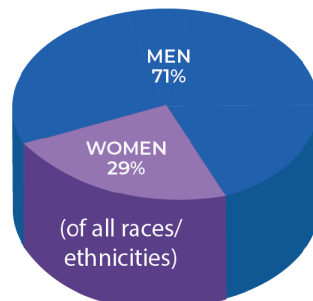


3% LGBTQIA+
(all genders)



0% Persons
w/ disabilities
(all genders)

COMPENSATION COMMITTEES



11% POC
(all genders)

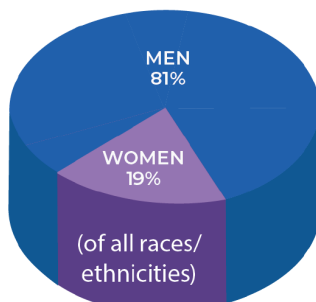


3% LGBTQIA+
(all genders)



0% Persons
w/ disabilities
(all genders)

FIRM-WIDE MANAGING PARTNERS



9% POC
(all genders)

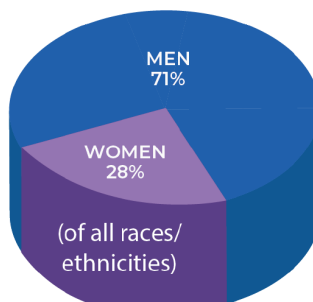


5% LGBTQIA+
(all genders)



0% Persons
w/ disabilities
(all genders)

OFFICE MANAGING PARTNERS



10% POC
(all genders)



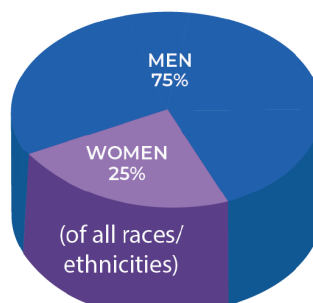
3% LGBTQIA+
(all genders)



0% Persons
w/ disabilities
(all genders)

Note: Office Managing Partners can be either equity or non-equity partners, so being an Office Managing Partner does not mean one is an equity partner. We cannot determine from our data whether these Office Managing Partners are equity or non-equity partners.

PRACTICE GROUP LEADERS



8% POC
(all genders)



2% LGBTQIA+
(all genders)



1% Persons
w/ disabilities
(all genders)

CONCLUSION

On the whole, the numerical results of the 2020 survey are a near exact replication of those from 2017 to 2019. The progress made by women in law firms over the last decade has been slow and incremental at best, and law firms continue to face challenges with respect to supporting and promoting women. Despite approaching near universal adoption of diversity initiatives, including diversity committees and dedicated diversity officers, and increased awareness of the challenges women and diverse attorneys face in their advancement through the law firm, there has been little progress made in recent years that is reflected in noticeable increases in representation of women and diverse attorneys, particularly at the more senior levels of the law firm.

The legal profession is newly threatened by a global pandemic that has put financial pressures on law firms, and in the past, similar financial pressures have resulted in cuts to diversity efforts and diverse representation in law firms. Further, the changes to work created by the pandemic have introduced additional challenges, if not threats, to the success and persistence of women and attorneys of color in law firms and the legal profession at large.

Increasing investment in diversity infrastructure, training, and engagement with diversity-promoting and bias-reducing policies and practices have not yet led to increased representation and retention of women and people of color. This suggests that barriers women and diverse attorneys face have not yet been adequately addressed in ways that allow and encourage them to stay in law firms for the long haul.



2020 SURVEY REPORT

ON THE PROMOTION AND RETENTION OF WOMEN IN LAW FIRMS

INTRODUCTION

On March 16, 2020, the federal government announced that the United States should essentially shut down and that people should stay home to address the growing coronavirus pandemic crisis around the world. This had an immediate, negative impact on the economy, prompting concerns about another financial crisis like that of the Great Recession (2007 – 2009), a recession that had severe impacts on the legal profession. As with the Great Recession, the response to the pandemic and the subsequent economic downturn has produced furloughs, layoffs, cuts to compensation, and other cost-cutting measures across the legal profession, while also moving most of the legal profession to remote work. In the aftermath of the Great Recession, it was well-documented that the financial crisis had a significant and negative impact on diversity in the legal profession. In addition, the losses to diversity created by the Great Recession were just returning to pre-Great Recession levels before the pandemic hit. Fortunately, the legal profession, including its clients and its diversity professionals, had learned enough from the prior crisis to be on the lookout for similar consequences for diversity in the legal profession this time around.

The call, which NAWL joins, to protect and maintain diversity and inclusion even in the face of crisis was immediate and has been persistent. It remains to be seen how the legal profession, and its diversity, will fare as the pandemic crisis is ongoing, but it was a hopeful sign that the legal profession might avoid the significant diversity losses of the last crisis this time. Even before the current threats to the success and persistence of women and diverse attorneys in the legal profession created by the pandemic, NAWL has collected data for the last 13 years that show a consistent pattern of a serious lack of women and people of color in the upper echelon of law firm and legal profession leadership.



**...shows a
consistent
pattern of a
serious lack of
women and
people of color
in the upper
echelon of law
firm and legal
profession
leadership.**

Further, in the 13 years NAWL has tracked data on the representation of women and diverse attorneys, there has been relatively little progress made in their representation in senior and leadership roles in law firms in particular.

In recent years, NAWL has attempted to dig deeper into the mechanisms underlying these well-known statistics by asking additional questions about policies, practices, and procedures that affect women and diverse attorneys in law firms. In addition, the goal of the NAWL Survey has always been to provide objective statistics regarding the position and advancement of women lawyers in law firms in particular, and the NAWL Survey remains the only national survey that collects this industry benchmarking data in such detail.

This year presents an important opportunity to provide benchmark data for the bias-reducing and diversity-promoting activities of law firms before the coronavirus pandemic arose. The data collected this year reflect the 2019 fiscal or calendar year, so law firms were reporting on their policies and practices pre-pandemic. What follows, then, is a snapshot of a pre-coronavirus legal profession. In other words, what follows is a picture of what law firms were doing (or not) with respect to supporting women and diverse attorneys under “normal” conditions. While this year’s data can’t speak to the impacts of the pandemic on the legal profession, particularly with respect to women and diverse attorneys, this year’s data combined with next year’s data (to be collected nearly a year after the pandemic began), will provide a before and after test of whether the calls to protect diversity and inclusion were heeded by the profession.

WHAT ARE LAW FIRMS DOING TO SUPPORT WOMEN AND DIVERSE ATTORNEYS?

There are many practices that law firms can (and many do) engage in that are meant to support women and diverse attorneys throughout their careers. These practices often focus on training, diversity and inclusion efforts, and implementing policies that help support women and families. In this moment, as the US potentially faces another economic recession and a pandemic that has forced most people who work from offices to work remotely for the foreseeable future, concerns about supporting women and diverse attorneys have been heightened. Since this year’s survey reflects data that pre-dates the pandemic and economic downturn that began in early 2020, it is best to think of this data as the pre-pandemic baseline for firm investments in women and diverse attorneys through diversity programming and bias-interrupting practices. And while firms had been getting better in many ways, there was still, even under much better pre-pandemic conditions, a lot of work that needed to be done to improve not only the representation of women and diverse attorneys in law firms, particularly in senior and leadership roles, but also their experiences working in law firms.

BIAS-INTERRUPTING POLICIES & PROCEDURES

As was the case last year, firms are more likely to engage in bias interruption efforts when those efforts do not require changing or standardizing hiring processes or otherwise interfering with the discretion of law firm decision makers, particularly partners. In other words, nearly all firms say they pursue diverse candidates, but only about half of the firms say that they engage in standard best practices for hiring used in other professional settings, such as setting hiring criteria in advance, using consistent evaluation systems, or otherwise standardizing their processes to treat candidates as equally as possible. This highlights a weakness in the bias interruption efforts taken thus far by many firms. That is many law firms remain reluctant to engage in the processes most likely to reduce biased decision-making, instead preferring activities that signal a commitment to diversity but that are not guaranteed to produce it.

We again asked firms whether they had implemented bias-interrupting procedures and processes meant to reduce the likelihood of biases (such as gender and racial biases) affecting evaluations and employment outcomes in the firm. The data again showed that firms were more likely to report engaging in bias interruption earlier in the employment relationship: 77% at recruitment (compared to 94% last year and 89% in 2018), 75% at hiring (compared to 86% the previous two years), 58% for performance evaluations (compared to 76% last year and 70% in 2018), 47% at elevation to non-equity partner (compared to 51% last year and 44% in 2018), and 52% at elevation to equity partner (compared to 55% the previous two years).[1]

As evidenced by the decreasing likelihood of firms reporting that they were engaging in bias interruption activities at recruitment, in assigning work, at evaluation, and when setting compensation, it is important to note again that firms also reported that they are more likely to engage in (and report on) these bias interruption efforts at the earliest stages of an attorney's relationship with the firm. The fact that the disparities between men and women are much smaller at these earlier career stages may reflect success in finding ways to effectively reduce bias at the recruitment and hiring stages, but the stalled progress of women at subsequent levels combined with the decreased likelihood that firms are engaging in bias-interrupting processes at these later decision points evidences a need for firms to consider further expanding their bias interruption efforts to decisions made once a woman or diverse attorney is at the firm and advancing through their career.

[1] Notice that at all stages, this year's responding firms reported they were less likely than the firms responding in the previous two years to have engaged in bias interruption. This may be due to data variances over the last three years due to slightly different populations of Am Law 200 firms responding, but the cause of the shifts is not clear from the dataset. In the tables depicting best practices at various employment stages that follow, the responding firms this year were also less likely to report engaging in many of these practices compared to the firms that responded last year.

TABLE - PERCENTAGE OF FIRMS USING BEST PRACTICES [2] IN INTERRUPTING BIAS IN RECRUITMENT AND HIRING (BASED ON 82 RESPONDING FIRMS THIS YEAR)

<u>2020</u>	<u>2019</u>	<u>Recruitment & Hiring Best Practice</u>
94	95	Consider candidates from a variety of law schools
84	83	Diversify your strategy for getting information out about existing career opportunities
83	75	Discourage inferences about familial status/obligations (e.g., having/wanting children)
79	67	Encourage/require a diverse applicant pool before moving forward in the hiring process
73	76	Focus on performance-based and job-related questions during the interview
71	71	Involve people trained to spot bias in your hiring processes, such as HR professionals
70	67	Use behavioral interviewing focused candidates relaying past behaviors/experiences
70	63	Remind/inform reviewers of potential biases before they engage in the process
68	67	Examine job postings for gendered language
65	60	Ask for work samples
55	47	Set criteria for hiring in advance and commit those criteria to writing
52	51	Articulate/share expectations for interviewing with both interviewers and candidates
49	41	Use structured interviews, such as using the same questions for every person interviewed
46	47	Use a consistent rating scale that requires ratings be backed up with evidence
35	34	Articulate specific, work-related definitions of criterion like "fit"
29	28	Have a scale or other standardized system for resumé review
15	21	Limit referral hiring, which replicates existing organizational demographics
9	7	Remove/blind reviewers to non-job-related info on resumé that can (dis)advantage certain candidates based on gender, race, class, or other social identities (e.g., extracurriculars)

With respect to work assignments, firms are most committed to bias reduction efforts that may already be part of the existing system, such as assigning administrative tasks to administrative staff, but they are not engaging in the active monitoring or intervention in decision-making processes that may actually reduce bias in how work assignments are tracked and distributed, such as making sure credit is distributed properly and equally or establishing means to distribute work assignments and administrative responsibilities in ways that share the wealth (in the case of desirable work assignments) or evenly distribute the burden (in the case of administrative work).

[2] These best practices were presented as part of the ABA's Bias Interrupters Project and produced in the project's report, *You Can't Change What You Can't See: Interrupting Racial & Gender Bias in the Legal Profession* (2018), available at <http://americanbar.org/groups/diversity/women/initiatives/awards/bias-interrupters/>

TABLE - PERCENTAGE OF FIRMS USING BEST PRACTICES IN INTERRUPTING BIAS IN MAKING AND CREDITING WORK ASSIGNMENTS (BASED ON 73 RESPONDING FIRMS THIS YEAR)

2020	2019	Work Assignments Best Practice
89	95	Use administrative staff for administrative assignments rather than attorneys when possible
64	62	Give credit for work done on mentoring and committee work
58	68	Monitor work assignments for disparities, make sure the "good" assignments are not always going to the same people or same type of people
55	58	Formalize and articulate the pool of available talent for work assignments
52	67	Have supervising attorneys track work assignment allocations
47	42	Expand the perceived pool of available talent for work assignments
45	43	Give equal credit for equal work done on an assignment, ensuring that equal contributors are credited as such
30	40	Hold everyone equally accountable for carrying out administrative assignments properly. Don't allow some people to get out of administrative work or others to be over-assigned it because they're good at it.
21	28	Avoid asking for volunteers for administrative assignments
18	27	Establish a rotation for assignment "good" work assignments
16	22	Establish a rotation for sharing administrative responsibilities



As we found last year, nearly all firms say they engage in a formal evaluation process, but they are less likely to report engaging in the activities that would be assumed to be part of a formal, bias-interrupting process...

As we found last year, nearly all firms say they engage in a formal evaluation process, but they are less likely to report engaging in the activities that would be assumed to be part of a formal, bias-interrupting process, such as requiring evidence from the evaluation period to support evaluations or reducing the influence of more subjective aspects of a person's file (such as personality and potential). In addition, fewer than half of firms report checking on the outcomes of the performance evaluation process by checking those outcomes for potential patterns of bias. Even if the process is set up to be less biased, active monitoring of outcomes for potential bias is essential to making sure the processes are working as intended.

TABLE - PERCENTAGES OF FIRMS USING BEST PRACTICES IN INTERRUPTING BIAS IN PERFORMANCE EVALUATIONS (BASED ON 76 RESPONDING FIRMS THIS YEAR)

2020	2019	Performance Evaluation Best Practice
97	100	Have a formal performance evaluation process
82	83	Set clear and specific performance criteria directly related to job requirements
80	75	Empower people involved in the process to spot and interrupt potential biases
75	72	Involve people trained to spot biases in the process, such as HR professionals
74	68	Require evidence from the relevant evaluation period to justify an evaluation
65	64	Consider performance and potential separately for each candidate
62	66	Separate personality issues from skill sets for each candidate
46	46	Monitor supervisor's performance evaluations for patterns of bias, such as always rating persons from a particular group less than those from another group

As in past years, firms were much less likely to report information about their compensation processes. Firms were most likely to report looking at data and using objective compensation procedures like annualizing compensation in their processes. Further, they tend to look at data in higher level ways, such as looking at overall compensation data, but are less likely to report doing more targeted analyses that might reveal more nuanced underlying disparities. Unlike decisions at the other points discussed above, firms were much less likely to involve people with expertise in bias interruption or to train or inform the decisionmakers about the potential for bias in the compensation process, providing even less oversight here than in other areas.



...firms were much less likely to involve people with expertise in bias interruption or to train or inform the decisionmakers about the potential for bias in the compensation process, providing even less oversight here than in other areas.

TABLE - PERCENTAGE OF FIRMS USING BEST PRACTICES IN INTERRUPTING BIAS IN DETERMINING COMPENSATION (BASED ON 67 RESPONDING FIRMS THIS YEAR)

<u>2020</u>	<u>2019</u>	<u>Compensation Best Practice</u>
84	93	Look for patterns in compensation data through multiple lenses to identify disparities
76	84	Give credit to non-billable work that is vital to the firm
73	93	Annualize compensation based on average months of work, allowing for leave and off- and on-ramping periods
69	74	Articulate honestly what drives compensation decisions
61	72	Make part-time partners' compensation proportional to their work
60	72	Consider who gets opportunities to pitch, who gets speaking roles, and who receives origination and other credit
57	58	Involve people who are trained to spot bias, such as HR professionals
51	75	Keep metrics by individual supervising attorney, department, country, and firm
51	61	Consider the role of inheriting compensation credit and client relationships on compensation
51	58	Analyze who does and does not get origination and other credit, including how it is distributed among different demographics
51	58	Establish clear rules about granting and splitting origination and other credit
39	49	Analyze who gets de-equitized and why
37	46	Analyze whether lateral partners are paid more relative to homegrown partners on various metrics
37	42	Train the committee that sets compensation on the potential for biases
36	40	Establish a formal succession planning process or structure
31	26	Analyze how compensation is affected by lean vs. growth periods, and whether some demographics are more susceptible to compensation adjustments during these periods
19	23	Establish pitch credit that recognizes work done to put together a client pitch

MONITORING FOR EQUITY

An important tool for identifying and disrupting disparities is data collection and analysis focused on identifying group-based outcomes in the firm. In this vein, we asked firms whether they engaged in any active monitoring of career trajectories of women with an eye toward equity, including work assignments and promotions. Most firms reported that they did engage in active monitoring of the career trajectories of women in their firm. A majority of firms (57%) reported monitoring promotion rates (91% this year compared to 88% last year and 83% in 2018). To investigate further, this year we also asked firms what activities they engage in to monitor for gender equity, and we were interested in who in the firm is responsible for equity monitoring.

TABLE - PERCENTAGE OF FIRMS REPORTING ENGAGING IN VARIOUS WORK ASSIGNMENT MONITORING ACTIVITIES (BASED ON 42 RESPONDING FIRMS)

62	Ensure women have access to good/plum/glamour assignments
43	Track the number of assignments given to women and men
43	Track the quality of assignments given to women and men
17	Attorneys report on how often they seek work vs. work given to them
12	Require supervising attorneys to track assignments by attorney demographics
52	Other

TABLE - PERCENTAGE OF FIRMS REPORTING ENGAGING IN VARIOUS PROMOTION MONITORING ACTIVITIES (BASED ON 75 RESPONDING FIRMS)

100	Track promotion numbers by gender each year
88	Share promotion numbers by gender externally
88	Share promotion numbers by gender internally
87	Analyze promotion data for patterns/trends over time
83	Involve individuals knowledgeable about bias in the promotion process

As for who does the monitoring, for work assignments, it was most likely that practice group leaders (76%) and administrators such as human resource professionals or diversity or women's initiative leaders (76%) were responsible. In addition, we asked firms which work assignments they monitor for gender equity, and only 30% said they monitor all work assignments. The remaining firms said that what assignments were monitored was determined by some individual actor or set of actors, such as practice group leaders, supervising attorneys, or clients. For promotions, 73% of firms reported that their Chief Diversity Officer helps monitor promotion rates alongside human resources (47%), managing partners (49%), the promotion committee (46%), and the executive committee (54%). Overall, it seems that firms are paying more attention to, and involving more people in monitoring, promotion rates compared to work assignments. In this case, closer monitoring of disparities at the level of work assignments could allow intervention before disparities crystallize in ways that negatively affect promotion rates for women and diverse attorneys.

 **Overall, it seems that firms are paying more attention to, and involving more people in monitoring, promotion rates compared to work assignments.**

With respect to succession processes and procedures, about 88% of firms reported that they have extended their diversity efforts to consider succession processes and outcomes (compared to 82% last year), and 90% reported that they took gender into account in their succession processes (compared to 83% last year). Further, essentially all responding firms (99%, up from 96% last year) reported that they have made efforts to encourage the incorporation of women into client relationships.

DIVERSITY INFRASTRUCTURE

This year NAWL wanted to further explore the infrastructure that firms have in place to support diversity, equity, and inclusion, including whether firms have a Chief Diversity Officer, an executive position that has become increasingly popular in law firms and across other professional fields, including in client spaces. Firms were asked to report on not only whether they have a dedicated diversity officer, but also on details of where that person sits in the firm, who they report to, what activities they engage in, and what resources are available for the firm's diversity initiatives.

Diversity Budget

In terms of resources, 69% of responding firms reported information about their 2019 diversity, equity, and inclusion budgets. For responding firms, the average dedicated annual diversity budget was \$577,578, and the range of annual diversity budgets was \$58,000 to \$3.5 million. Firms in higher-ranked quartiles reported larger budgets than those in lower-ranked quartiles. Firms in Quartile 1 (Am Law 1 – 50) reported an average budget of \$1.37 million compared to \$567,440 for Quartile 2 firms (Am Law 51 – 100), \$263,869 for Quartile 3 firms (Am Law 101 – 150), and \$120,040 for Quartile 4 firms (Am Law 151 – 200). Further, 57% of responding firms reported that their diversity budget is separate from the budget for their women's initiative.

Chief Diversity Officer

93% of responding firms reported that they had a Chief Diversity Officer or a similar administrative role dedicated to diversity, equity, and inclusion efforts at the firm. The most common titles given to these diversity officers were variations of Director of Diversity & Inclusion (38%), Chief Diversity Officer (26%), and Diversity Committee Chair (12%). Among those firms with a diversity officer, 72% reported that these individuals were lawyers and/or had a legal background. To understand what potential status and influence the diversity officer might have inside a firm, we asked firms about who the diversity officer reports to in the firm. A slight majority of firms (53%) reported their Chief Diversity Officer reports to the firm-wide managing partner(s). Many firms also reported that their diversity officer reports to the Chief Operating Officer (or similar role) and/or the firm's diversity committee.

In addition, we asked firms which department within the firm was considered the primary home of the diversity officer, and a majority of firms (58%) reported that they had a diversity department or that the diversity officer led their own department. Most of the remaining firms reported that their diversity officers sit in Human Resources, Professional Development, Talent Management and Acquisition or other people strategy departments in the law firm.

Responsibilities of Chief Diversity Officer

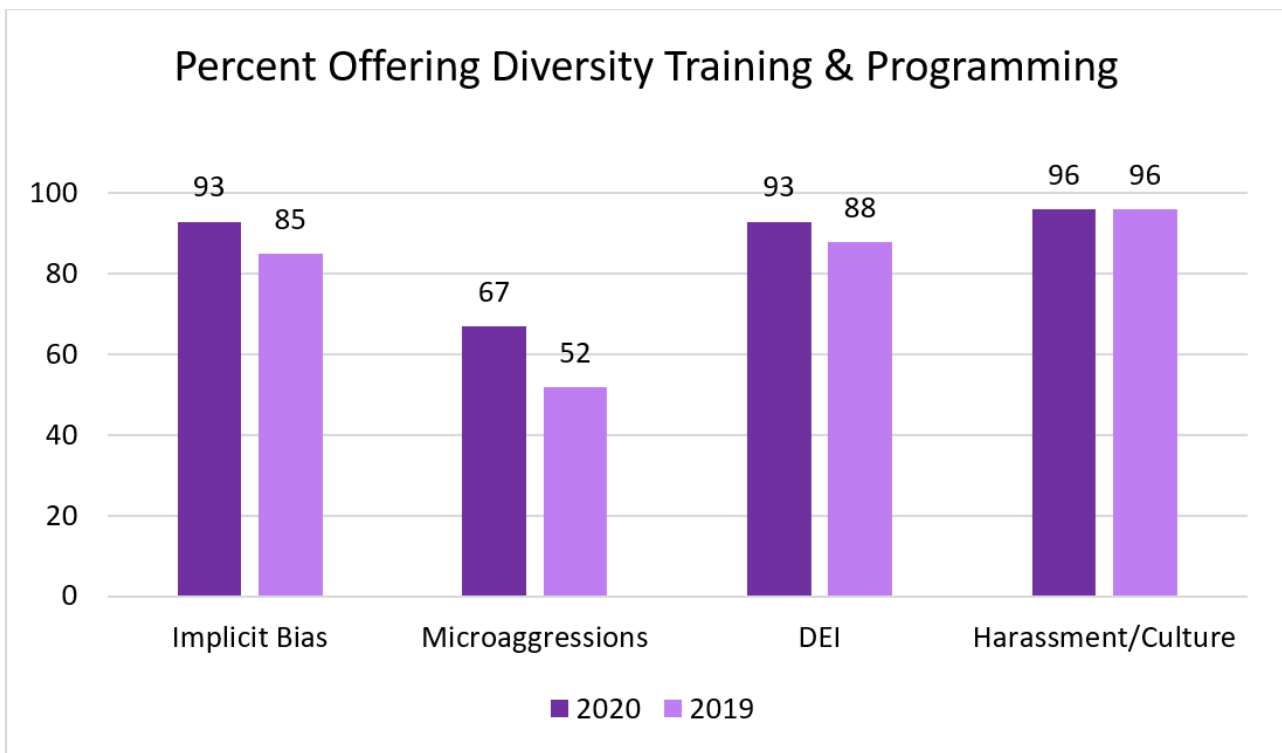
We also wanted to know more about what the diversity officers did as part of their work in the firm. We asked firms, for example, whether their diversity officer had a seat on any decision-making or governance committees at the firm, and 65% of responding firms said they did. More specifically, 46% of diversity officers serve on a diversity committee, 38% on the associate evaluation committee, 22% on a recruitment or hiring committee, 20% on the executive or primary governance committee, 16% on the compensation committee, and 14% on the partner promotion committee. Further, we asked if the diversity officer plays a role in attorney development and advancement at the firm, and 96% of firms reported their diversity officer did. Finally, we asked about the primary activities of the firm's chief diversity officer.

TABLE - PERCENTAGE OF FIRMS INDICATING THEIR CHIEF DIVERSITY OFFICER ENGAGES IN VARIOUS ACTIVITIES (BASED ON RESPONSES FROM 78 FIRMS)

96	Diversity strategic planning for the firm
90	Diversity programming for the firm
90	Changing/improving professional culture at the firm
85	Interacting with clients on diversity initiatives or matters
78	Supporting diverse attorneys in their practice, including by providing training
76	Participating in decision making at the firm, such as by sitting on committees
71	Completing client and other surveys
68	Monitoring outcomes in hiring, work assignments, performance reviews, retention and/or promotion processes
64	Organizational and/or structural change at the firm
61	Participating in hiring, work assignments, performance reviews, retention and/or promotion processes
40	Marketing
41	Business Development

Diversity Programming & Training

Firms report engaging in a variety of firm-wide training programs focused on diversity and inclusion. More specifically, 93% of firms reported offering firm-wide implicit bias training (compared to 85% last year and 76% in 2018), 67% reported offering training on microaggressions or microinequities (compared to 52% last year and 36% in 2018), 93% reported offering general diversity, equity, and inclusion training (compared to 88% last year and 79% in 2018), and 96% reported offering training on harassment policies and workplace respect (the same as last year). Over the last couple of years, we can see firms have increased the training they've made available on various diversity-related topics, with a strong trend of increasing to near-universal adoption of common diversity training, such as implicit bias training. This year, we also asked firms whether these trainings had mandatory attendance, and about a third of firms made their implicit bias, microaggression, and diversity and inclusion trainings mandatory, whereas 78% of compliance-oriented workplace harassment trainings were mandatory.



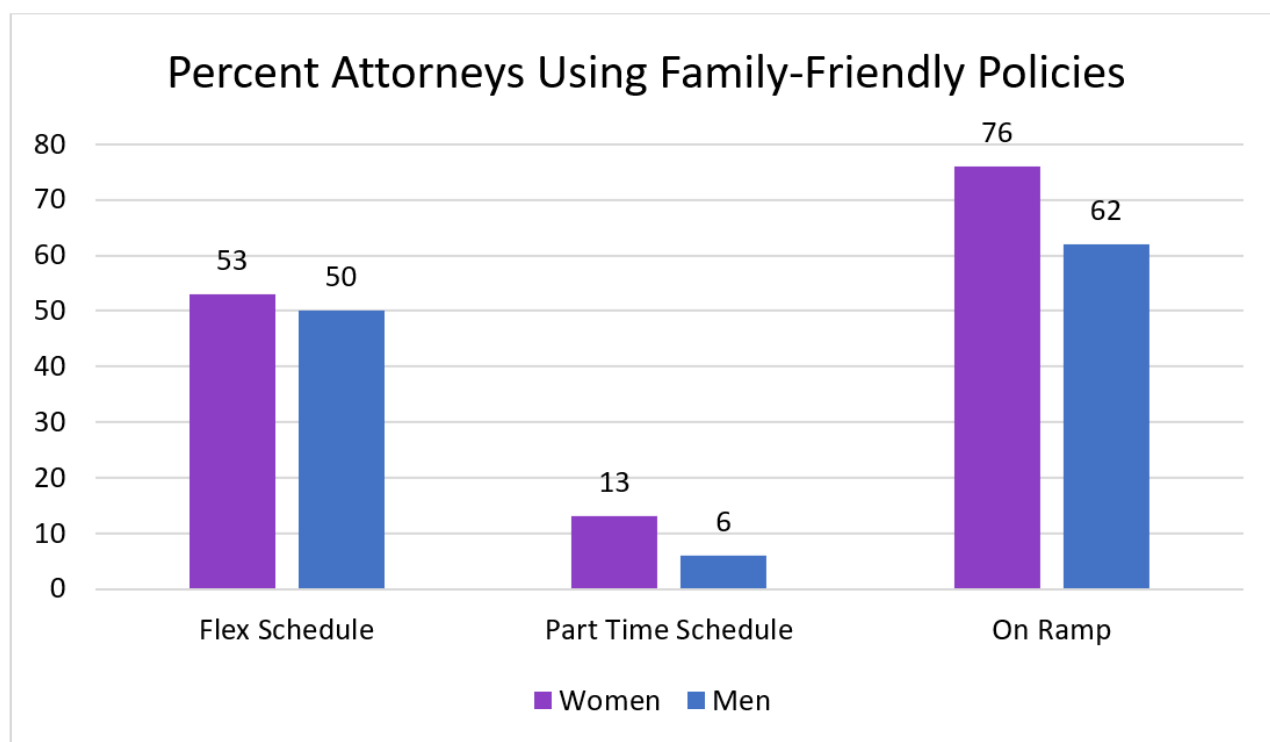
Recognition of Diversity Efforts

If firms want people across the firm to take a commitment to diversity seriously and engage in the necessary work to that effect, incentivizing and rewarding participation in diversity efforts is considered an effective way to increase such engagement.

With that said, we asked firms whether they recognized and rewarded attorneys for participating in firm diversity efforts. A majority of responding firms (67%) indicated that they tracked hours spent on diversity work to consider such work for evaluation, compensation, and promotion decisions. Nearly 44% of firms reported that they went so far as to consider diversity work when compensating attorneys, and 82% of firms reported that they provided non-monetary recognition of those active in the firm's diversity work.

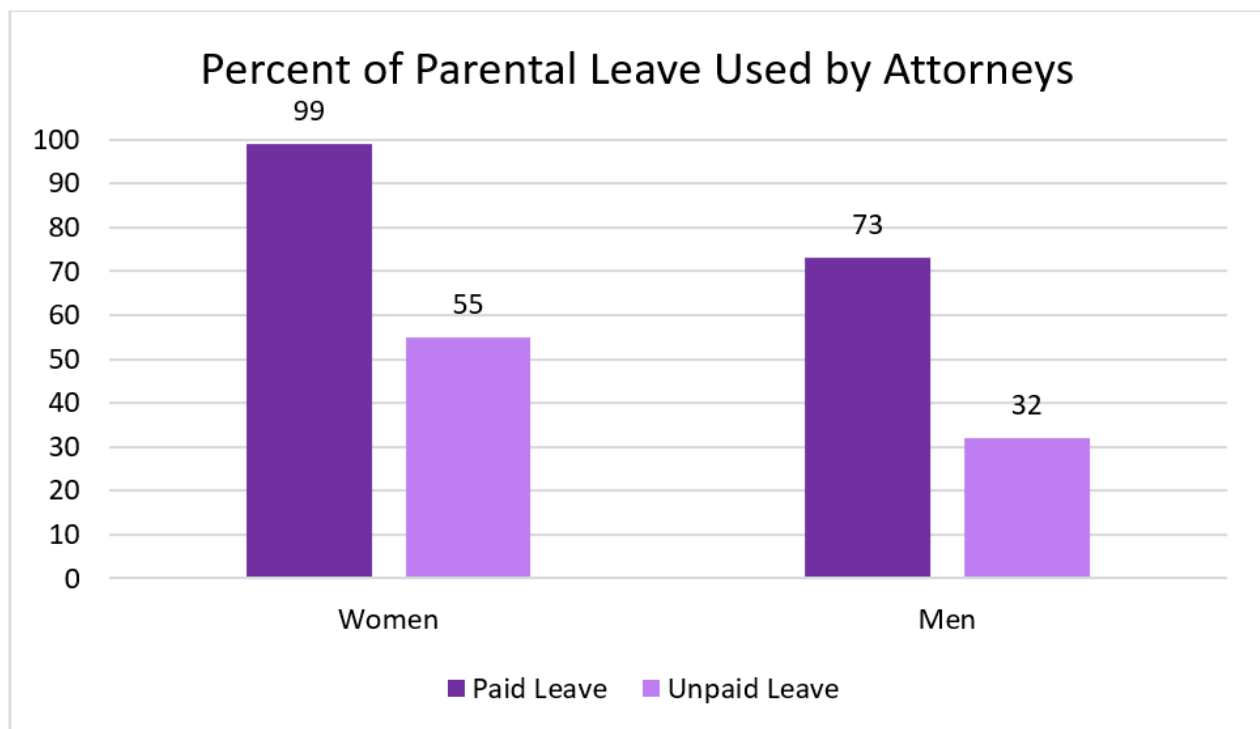
Family-Friendly Policies

As in previous years, we have also been interested in what policies firms have in place to support their attorneys outside of work, including leave and alternative work policies. Thus, we asked firms about policies that are understood to benefit and support families, such as flexible and part-time work schedules and help transitioning back into work after a family leave. Nearly all firms reported offering both flexible (93%) and part-time work schedules (99%), as well as on-ramping for attorneys returning from leaves (84%). This year, we also asked what percentage of men and women in the firm take advantage of these policies. Firms reported that 53% of women and 50% of men make use of flexible schedules, 13% of women and 6% of men make use of part-time schedules, and 76% of women and 62% of men make use of on-ramping when returning from leave.



Parental Leave

We were also interested in how much parental leave firms offered, as well as how much of the available leave men and women in the firm take, on average, when they make use of the leave policy. The average number of paid weeks of parental leave offered was 15 weeks (the same as last year), and firms estimated that women take an average of 99% of the available paid time off (compared to 96% last year), and men take an average of 73% of the available paid time off (the same as last year). Of the firms that offered unpaid parental leave in addition to their paid leave, they offered an average of 8 weeks of unpaid time off (compared to 11 weeks reported last year). Firms estimated that women take 55% of available unpaid leave (compared to 46% reported last year), and men take an average of 32% of available unpaid leave (compared to 22% reported last year).



ARE WOMEN INCLUDED IN OPPORTUNITIES TO BUILD BUSINESS ON THE PATH TO PARTNER?

Central to establishing the credentials for elevation to equity partner is building one's book of business and attaining and maintaining client relationships. Discussion in the field has begun to focus on the importance of client relationships and credit processes and procedures for partner promotion decisions. Better understanding how

law firms manage both client relationships and credit processes allows for a more nuanced view of who is getting access, and how, to the crucial building blocks of a book of business that merits promotion to equity partner. With this in mind, in recent years, NAWL has set out to better understand how firms manage credit, client relationships, and successions with respect to both their processes and whether the existing processes produce outcomes that include women and diverse attorneys.

Client Relationships & Credit Origination

Most firms award credit for a variety of roles with respect to clients and matters at the firm: origination credit for relationship partners (84%), matter proliferation credit for partners eliciting new business from existing clients (62%), credit for management of the matter for partners and attorneys actively managing the client's matters (74%), and production credit for partners and attorneys billing hours on the client/matter (64%). Of the responding firms that have credit allocation structures, 91% of firms reported that they encourage credit sharing. Firms reported on the activities that they

engage in to encourage credit sharing, and firms engage in a wide variety of activities to encourage credit sharing: 47% reported having a formalized credit-sharing policy; 40% reported that they measure client procurement, relationship, cultivation, and proliferation separately. Many firms also indicated that they take credit sharing into account during bonus determinations and in promotion decisions. On the other hand, most firms are not willing to reduce the impact of origination credit distributions in ways that might encourage sharing: only 12% of firms said they have decreased the impact of origination credit on compensation; only 10% of firms reported that they have sunset provisions on the duration of origination credit; and only 5% reported that they cap the percentage of origination credit that any single partner can receive from a client.

...most firms are not willing to reduce the impact of origination credit distributions in ways that might encourage sharing

MANAGING CLIENT RELATIONSHIP TRANSITIONS

Succession Planning

We asked firms about the succession planning practices and procedures to uncover more detail about how firms handle the transfers of highly valuable relationships and status in the law firm. This year 39% of firms responded that they had a formal written or recorded succession plan compared to the 48% of firms who reported having formal

succession plans last year (when we didn't specify that it must be written or recorded to be considered a formal plan).[3] In addition, 63% of firms reported that they had succession processes for practice group leaders, and 73% reported that they had succession processes for governance committee(s); both of these numbers are unchanged from last year. Firms overwhelmingly (90%) reported that they allowed for relationships to be passed down to multiple new partners (i.e., shared), and the reported numbers of departing versus new relationship partners suggest there may be more sharing of these roles among new relationship partners, with an average of about 21 departing relationship partners replaced with about 23 new partners.

As for who makes the decisions about a succession and when those decisions are made, there was no standardized approach across firms. Most firms reported that some combination of the current relationship partner(s) (73%), the practice group leaders(s) (67%), the client (66%), and firm leadership (e.g., managing partners, 60%) determine how the succession will be assigned. Further, succession planning is also largely an individualized and ongoing process, with 56% of firms reporting that the eventual succession is considered throughout the relationship and tenure of the existing relationship partner (compared to 63% last year). Only about 25% of firms reported that they delay thinking about succession until the existing relationship partner approaches retirement age and/or once they announce retirement. While the idiosyncratic nature of existing succession planning and the eventual transitions affords firms flexibility that may be desired in various ways, research suggests that less standardized, more subjective processes are ripe for the influence of biases that may lead certain groups or individuals to be disfavored in the process, such as women and racial/ethnic minorities.[4]

Relationship Partners

We again asked for information about each responding firm's top 30 clients [5] to capture more information about relationship partners and successions among a firm's top clients. Specifically, firms were asked about recent transitions in relationship partners for these top clients and the representation of women and diverse attorneys among them. Among responding firms, 69% (61 firms) answered at least some questions about their relationship partners. On average, the total number of relationship partners assigned to the top-30 clients was 61. Of those relationship

[3] This year we edited the question to specify that in order for a succession plan to qualify as formal it must be in writing, and this change may have reduced the percentage of firms reporting they had formal plans. Further, unlike last year, there is greater consistency between firms indicating they have a formal succession plan on this question compared to when they respond to questions about having a formal plan as part of their responses to questions about bias-interrupting best practices.

[4] See e.g., Melissa Hart's "Subjective Decision-making and Unconscious Discrimination," 56 Ala. L. Rev. 741 (2005).

[5] Firms were allowed to consider their top-30 clients based on their own, unreported, criteria.

partners, on average about 23% are women, 8% are people of color, 1 is openly LGBTQIA + and none are a person with a disability; these numbers are unchanged since last year.

Among the responding firms, about 86% reported they had relationship partner transitions for their top 30 clients in the last three years (January 1, 2017 – December 31, 2019). On average, firms reported that they had about 16 relationship partners change during that time. The results again reflect that new relationship partners are more likely to be women than departing relationship partners (30% vs. 26%, respectively), but this year's numbers reflect fewer women than last year (35% women among new relationship partners and 28% women among departing relationship partners). Attorneys of color were about 8% of departing relationships partners and 10% of new relationship partners. There was no difference in representation of LGBTQIA+ individuals among departing and new relationship partners (compared to last year when these individuals were twice as likely to be new relationship partners compared to departing relationship partners, 2.4% vs. 1.5%, respectively). Persons with disabilities are essentially absent from both the departing and new relationship partner pools.

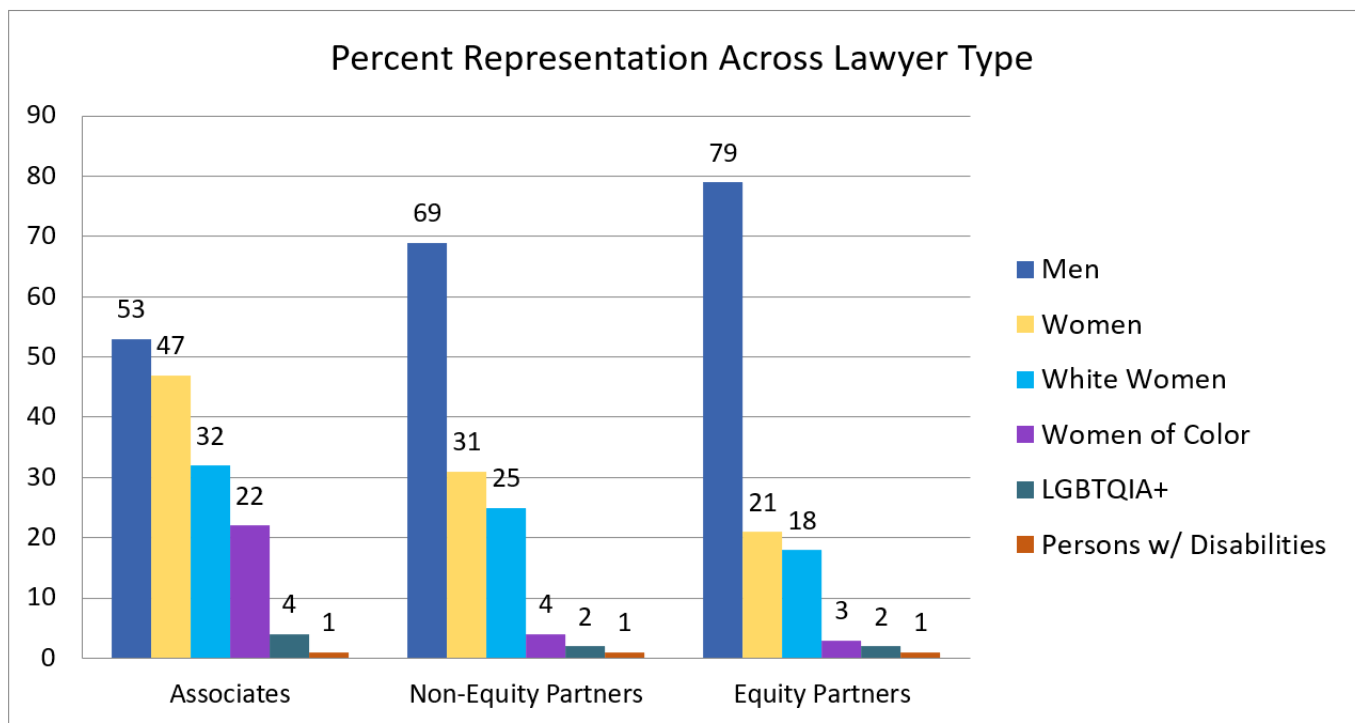
THE 2020 NUMBERS: WOMEN'S PROGRESS IN LAW FIRMS CONTINUES TO MOVE SLOWLY, IF AT ALL

For over a decade, approximately 50% of law students nationwide have been women, [6] law firms have recruited women as entry-level associates roughly in proportion to their representation among law school graduates, and yet the statistics repeatedly show that these women are not reflected in the numbers of non-equity or equity partners in those same law firms. Further, men see their representation increase through the career lifespan from associate to partner, whereas all women see their representation decrease. Diverse attorneys (including Asian, Black, Hispanic/Latinx, Native American, and multiracial individuals) are about 31% of law students and about 25% of law firm associates, and their representation relative to White attorneys decreases as careers advance, similar to the effect seen for women compared to men.

[6] For all law schools, women made up a simple majority (51%) of all law students for the first time in 2016, as reported by Law School Transparency (LST), a non-profit organization aimed at making entry to the legal profession more transparent, affordable, and fair. Report available at https://www.lstradio.com/women/documents/MerrittAndMcEnteeResearchSummary_Nov-2016.pdf. In the last 20 years, the percentage of women earning law school degrees has hovered between 45% and 50% according to statistics from the U.S. Department of Education. Discussion of findings available at www.theatlantic.com/sexes/archive/2012/12/more-women-are-doctors-and-lawyers-than-ever-but-progress-is-stalling/266115.

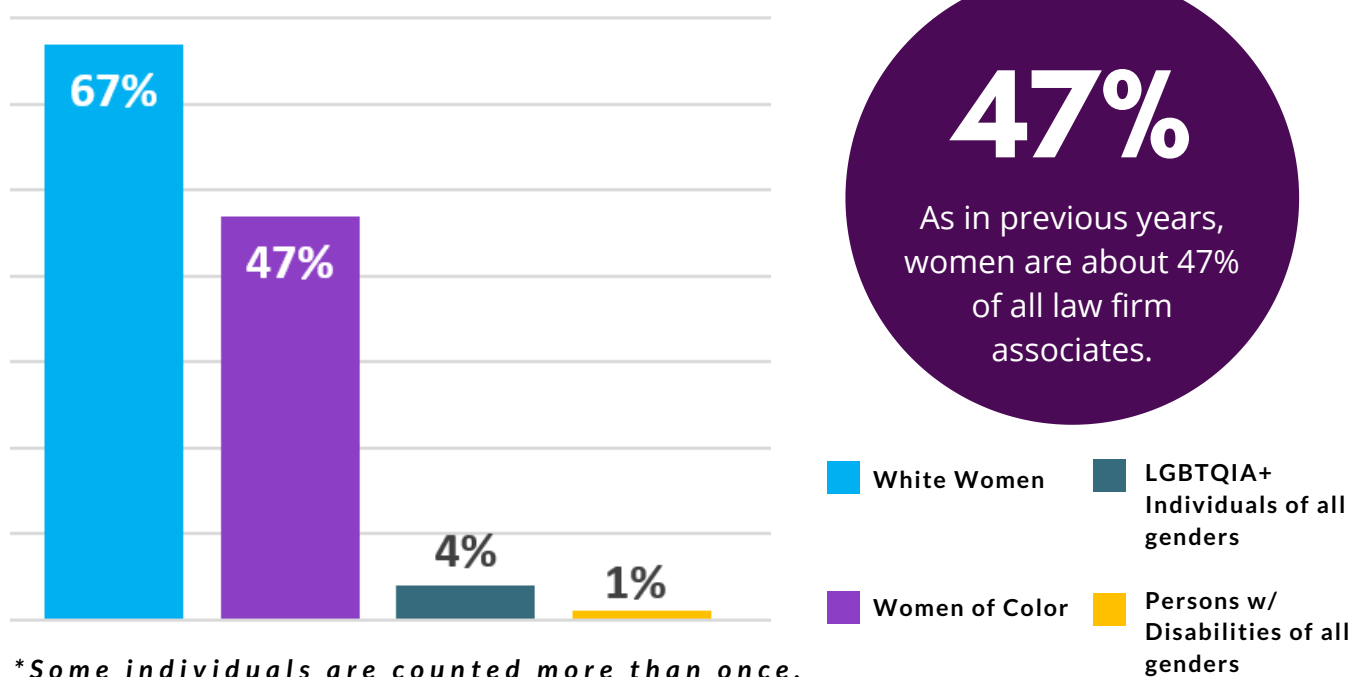
In addition to reporting demographics of associates, non-equity partners, and equity partners, including the percentage of women represented at each of these career stages, we also break out the hours, billing rates, and compensation to better understand disparities and to compare data across attorney levels. Overall, the data shows more equal representation of women among associates compared to non-equity and equity partners, but also relatively more equal compensation, billing rates, and hours worked.

WOMEN IN THE LAW FIRM: DEMOGRAPHICS



WOMEN AS ASSOCIATES

As in previous years, women are about 47% of all law firm associates[7]. About 25% of associates are people of color (5% Black, 10% Asian/Pacific Islander, 6% Hispanic/Latinx, 0.16% Native American/American Indian, 0.36% Middle Eastern/North African, 3% multiracial). White women are 67% of female associates and 32% of all law firm associates. Women of color (including Black, Asian/Pacific Islander, Hispanic/Latinx, Native American/American Indian, Middle Eastern/North African [8], and multiracial women) are about 47% of female associates [9] and about 22% of all law firm associates. For those firms reporting numbers [10], LGBTQIA+ individuals of all genders are about 4% of associates. Persons with disabilities are about 1% of all associates.



Lateral Associates

This year, we also asked about lateral hiring. Among lateral associate hires in 2019, 47% of those hired were women and nearly 30% of them were people of color. For women, these numbers are on par with entry-level associate hires. For people of color, the lateral hires are a little more likely to be people of color than entry-level associate hires (30% compared to 25%, respectively).

[7] Associates are partner-track attorneys who have not yet achieved partnership.

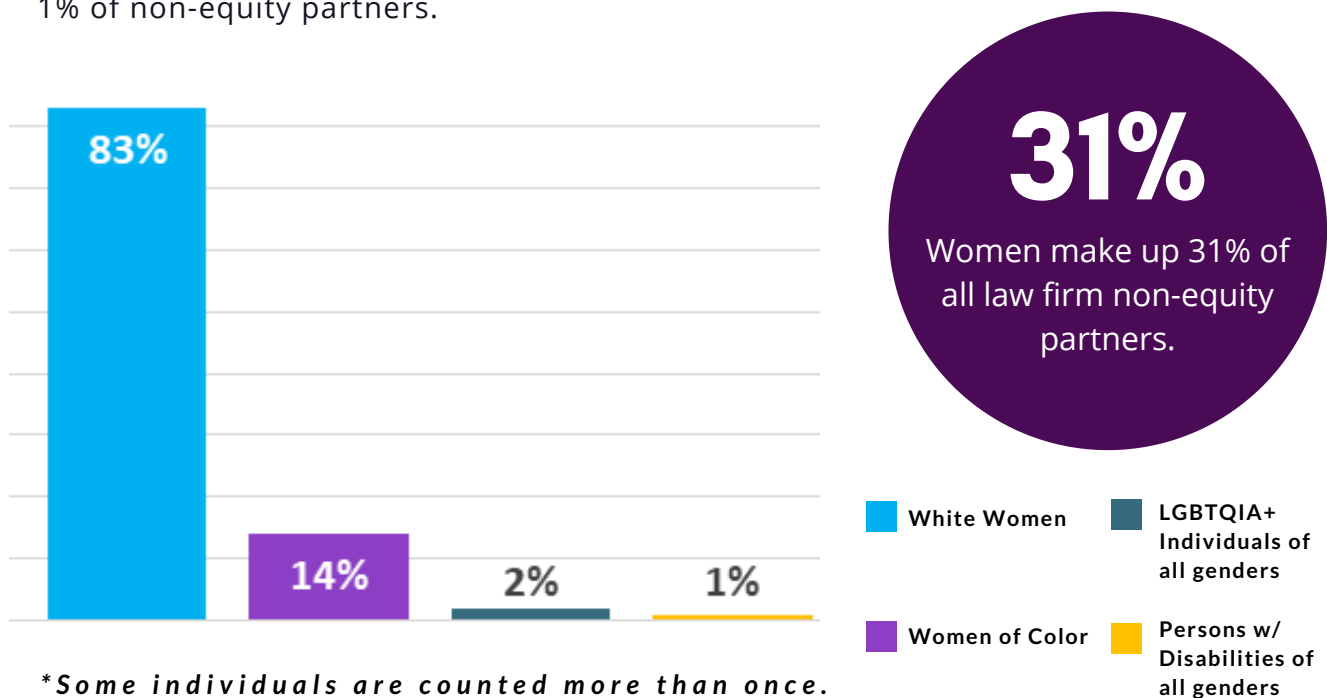
[8] This year, about 62% of responding firms reported tracking Middle Eastern/North African identity in their demographic data (compared to 49% in 2019). The Middle Eastern category has received attention as an identity that was once subsumed by the White racial category, but is increasingly understood to be an identity that operates more like a minority status identity rather than the majority status identity assumed by being included in the White category, particularly for Middle Easterners who are also Muslim.

[9] The percentages of White women and women of color among women associates is greater than 100%, which is likely due to some individuals being classified as more than one category, for example White Hispanic/Latinx women who could be counted in both the White category and the Hispanic/Latinx category.

[10] For LGBTQIA+ individuals and persons with disabilities, one hurdle to getting a fully accurate picture of their representation in the law firm is in the collection of data on these identities. About 8% of firms explicitly indicated that they do not collect demographic data on LGBTQIA+ individuals, and about 27% indicated they do not collect data on persons with disabilities. This is an improvement over the previous reports, where 10% of firms reported not collecting data on LGBTQIA+ individuals and 36% indicated not collecting data on persons with disabilities.

WOMEN AS NON-EQUITY PARTNERS [11]

Same as last year, women are 31% of all non-equity partners. People of color (of all genders) are a little less than 12% of all non-equity partners. White women are 25% of all non-equity partners and 83% of women non-equity partners. Women of color (including Black, Asian/Pacific Islander, Hispanic/Latinx, Native American/American Indian, Middle Eastern/North African, and multiracial women) are about 4% of all non-equity partners and about 14% of women non-equity partners. LGBTQIA+ individuals of all genders are 2% of non-equity partners, and persons with disabilities are about 1% of non-equity partners.

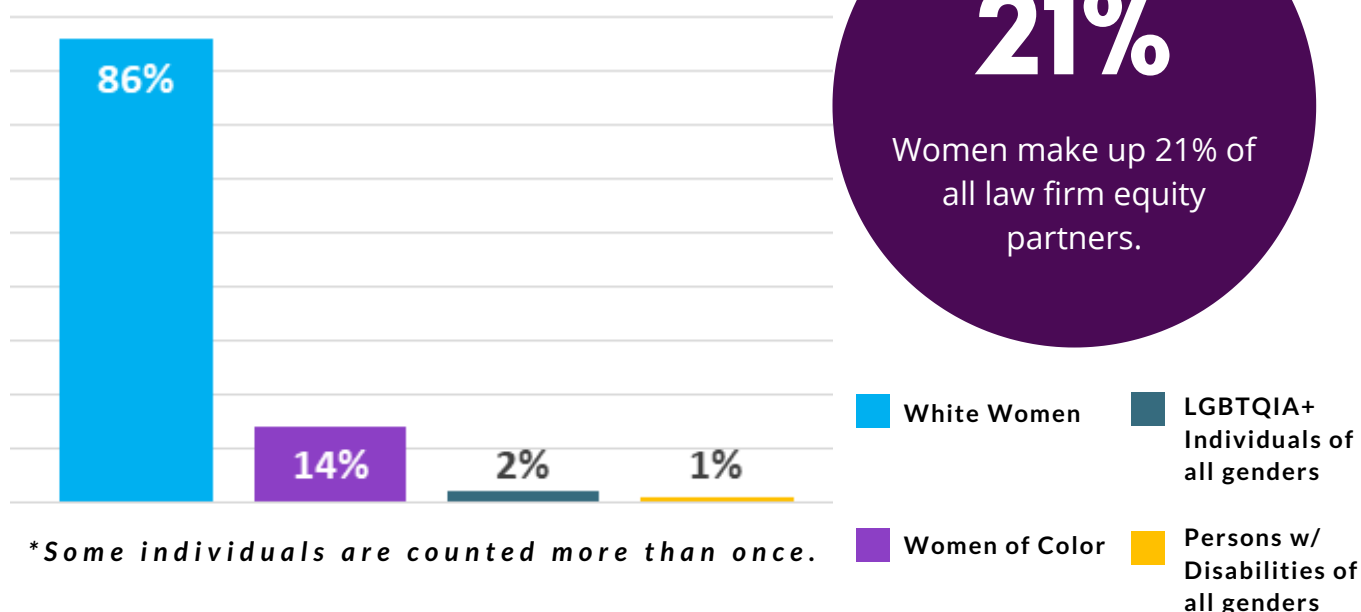


Lateral Non-Equity Partners

Lateral hires were about as likely to be women and more likely to be people of color compared to the pre-existing cohorts of non-equity partners. Women were 33% of lateral non-equity partners hired in 2019, and people of color were nearly 18% of lateral non-equity partner hires in 2019.

[11] Non-equity or Income Partners are those who receive more than half of their compensation on a fixed-income basis and may have voting rights on firm matters.

WOMEN AS EQUITY PARTNERS



The number of women equity partners and women in leadership roles in the law firm are of primary interest, given the focus of the *One-Third by 2020 Challenge* issued by NAWL in 2016 [12]. This challenge renewed the call for the legal field to increase its representation of women to one-third of General Counsels of Fortune 1000 companies, of new law firm equity partners, of law firm lateral hires, and of law school deans. *The One-Third by 2020 Challenge* also calls for an increase of at least one-third for diverse women attorneys, including LBTQIA+ and women of color, in every segment of the legal profession.

This year's survey shows a similar percentage of women equity partners compared to the last three years (21% this year and in 2019 compared to 20% reported in 2018 and 19% reported in 2017). Again, this represents a stable increase over the 15% - 16% reported in 2007 [13]. It also highlights the uneven and slow progress that has occurred whereby there has been a larger increase over a longer period of time (such as in the data reported in 2007 compared to the data from 10+ years later) but incremental changes or plateaus in the short term (no statistically significant difference year-to-year in numbers reported 2016 to 2020). It also shows that firms are not on track to meet all dimensions of the One-Third by 2020 Challenge as we approach the final year of data collection, with the Challenge concluding with the 2021 survey report.

[12] Full details of the NAWL *One-Third by 2020 Challenge* are available at <https://www.nawl.org/page/the-nawl-challenge>.

[13] 2017 NAWL Annual Survey, available at <https://www.nawl.org/d/do/663>. We cannot determine statistical significance of the 2007 numbers compared to 2017 - 2019 due to lack of access to past data, but the shift to 19% - 21% women equity partners demonstrated the last four years has clearly stabilized, thus suggesting a real jump in the numbers that likely would be statistically significant.

The One-Third by 2020 Challenge explicitly identified goals related to the representation of diverse women attorneys in the legal profession, including women of color, LGBTQIA+ individuals, and people with disabilities. This specific challenge is to increase the numbers of these diverse women by a third by 2020, with 2016 numbers (as reported by the 2017 NAWL Survey) as the starting point.

Like previous years, we found that White women represent 86% of female equity partners (compared to 88% reported in 2019) and about 18% of all equity partners (compared to 19% reported in 2019). In the aggregate, women of color (including Black, Asian/Pacific Islander, Hispanic/Latinx, Native American/American Indian, and mixed race women) represent only about 14% of female equity partners, on average, and about 3% of all equity partners.

For all equity partners, people of color (all genders) again account for only 9% of equity partners (Black equity partners are a little less than 2% of all equity partners, Asian/Pacific Islander equity partners account for about 4%, Hispanic/Latinx equity partners account for almost 3%, and Native American equity partners represent 0.14% of all equity partners). This represents a bump up from 6% equity partners of color reported in 2017 and a return to the levels reported in 2015 [14], but there was no change from last year. For those firms reporting numbers [15], LGBTQIA+ individuals were again about 2% of all equity partners and persons with disabilities were less than 1% of all equity partners. These numbers have remained unchanged for the last four years.

Lateral Equity Partners

In new data on lateral hires this year, women were 21% of lateral equity partner hires, which matches their representation among equity partners overall. For attorneys of color, we saw that nearly 18% of lateral equity partner hires in 2019 were people of color, double the percentage of existing racial/ethnic minority equity partners.

New Equity Partners

NAWL's data has consistently shown that about a third of new equity partners in the last few years have been women, a pattern suggesting that firms are promoting more gender equity in newer classes of equity partners consistent with the *One-Third by*

[14] 2015 NAWL Survey Report, available at <https://www.nawl.org/d/do/343>

[15] As a reminder, for LGBTQIA+ individuals and persons with disabilities, a hurdle to getting an accurate picture of their representation in the law firm is in the collection of data on these identities. About 8% of firms explicitly indicated that they do not collect demographic data on LGBTQIA+ individuals, and about 23% indicated they do not collect data on persons with disabilities (down from 27% who reported they didn't collect this data in 2019).

2020 Challenge. Firms were asked to report how many new equity partners they promoted in the previous two years (2018 and 2019). This year, firms reported that an average of 20 individuals were promoted to equity partner during the two-year period between 2018 and 2019 (compared to an average of 16 individuals 2017 – 2018). Of those 20 new equity partners, about 34% were women (the same as the previous two reporting years). In addition, 40% of the new equity partners were homegrown (i.e., started their careers at the firm) compared to 35% last year. On the other hand, 12% of the new equity partners spent three or fewer years at the firm before promotion to equity partner, suggesting recruitment of laterals that were expected to advance to equity partner. For homegrown partners, about 41% were women (similar to last year's 40%), and recent laterals who were promoted to partner, 24% were women (compared to 39% last year).

WOMEN IN THE LAW FIRM: HOURS

Despite a persistent belief that women work fewer hours than men, thus justifying differences in promotion and compensation, many years of NAWL data have shown that there are no statistically significant differences between the hours recorded by men and women attorneys at all levels, and this year is no exception. In other words, among all lawyers, from associates to partners, there were no significant differences in total or billable hours based on attorney gender.

 **...no statistically significant differences
between the hours recorded by men and
women attorneys at all levels**

Associate Hours [16]

There is no significant difference between the average billable and total hours logged for women and men associates. Firms reported an average of 1585 billable hours and 1927 total hours for their women associates compared to 1692 billable hours and 2004 total hours for their men associates. The differences in these numbers are not statistically significant.

[16] The response rate for the client billing questions was n = 37, which represents 42% of the overall sample. Billable hours include client billable hours and, at most firms, at least some pro bono hours. A minority of firms include administrative hours, service to firm, firm legal work, etc., as billable hours. Non-billable hours include administrative hours, personal professional development, business development, practice group development, and all or some pro bono hours. Most firms said they compensate non-billable pro bono hours, but a majority of firms said they didn't compensate other categories of non-billable hours explicitly. Some firms reported that they took non-billable hours into account in a non-formulaic way when reviewing attorneys and determining base and bonus compensation, recognizing exceptional service in these areas.

Non-Equity Partner Hours

As with associates, there was no statistically significant difference between hours worked by non-equity partners based on gender. Firms reported an average of 1374 billable hours and 1882 total hours for women non-equity partners and 1344 billable hours and 1834 total hours for men non-equity partners.

Equity Partner Hours

For equity partners, there was again no statistically significant difference in billable or total hours between women and men. Firms reported that women equity partners recorded an average of 1522 billable hours and 2202 total hours, and men recorded an average of 1510 billable hours and 2124 total hours.

WOMEN IN THE LAW FIRM: BILLING RATES, CLIENT BILLINGS, AND COMPENSATION

Associate Billing Rates [17]

NAWL again collected data on mean billing rates for men and women. We found that men and women start with relatively more similar, but still unequal, billing rates at the associate level and diverge further as they reach non-equity and equity partner. At the associate level, men billed an average of about \$442/hour (same as last year) and women billed an average of \$436/hour (compared to \$425 last year), meaning female associates bill at almost 99% the rate of male associates (compared to 96% last year).

Non-Equity Partner Billing Rates

As suggested above, the billing rates of men and women diverge as associates move to non-equity partner roles. The billing rate gap is like that seen between male and female equity partners and represents an average premium of about 5% for male non-equity partners compared to female non-equity partners (compared to 5.5% last year). For non-equity partners, the mean billing rate for men was \$630/hour (compared to \$611/hour last year) compared to a mean for women of \$599/hour (compared to \$577/hour last year).

[17] The response rate for billing rates questions was about n = 35, which represents about 40% of the overall sample.

Equity Partner Billing Rates & Client Billings [18]

As discussed above, we found that men and women start with essentially the same billing rates as associates but diverge by the time they reach non-equity partner. While billing rates go up overall for equity partners compared to non-equity partners, the same 5% gap between men and women remains. The mean billing rate for male equity partners was \$722/hour (compared to \$711/hour last year) compared to a mean of \$686/hour (compared to \$671/hour last year) for female equity partners.

It has been suggested before that disparities in compensation, at least among equity partners, may align with differences in client billings between men and women. In other words, men bill more and thus they are compensated more. On the other hand, this raises questions as to how client billings are generated and how credit is assigned for client billings. This year's data again shows that the average man equity partner bills more than the average woman (\$2,058,254 vs. \$1,653,463, respectively). Thus, on average, the average woman equity partner billed 80% of what the average man equity partner billed (compared to 82% last year). Considering billable hours, billing rates, and client billings together, men and women bill similar numbers of hours, and while men have higher billing rates than women at both non-equity and partner levels, this gap is only 5%. The gap between client billings is a sizeable 20%. [19]

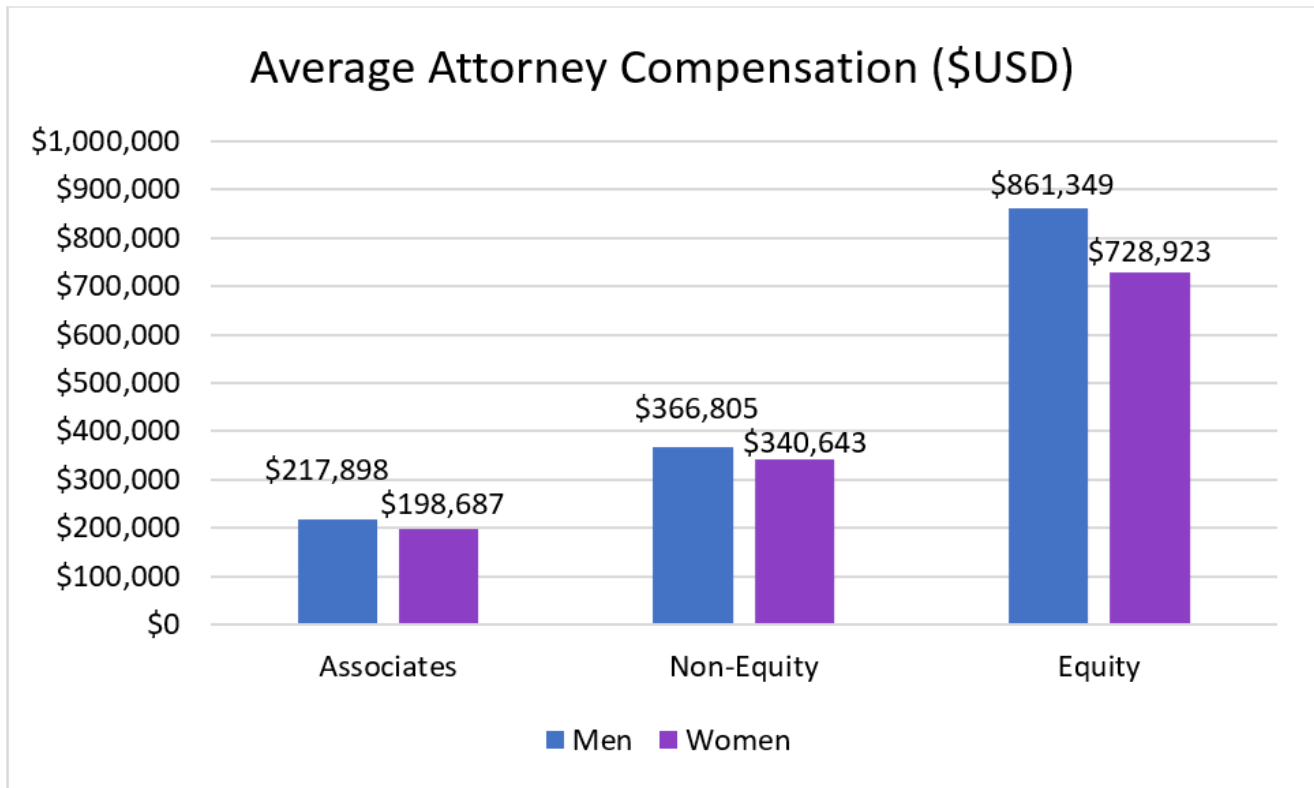
WOMEN IN THE LAW FIRM: COMPENSATION

When considering the full range of compensation, men made more across the board, with the reported range of compensation for men reaching higher amounts than the range of compensation offered to women at all attorney levels. In other words, the lowest-paid man still made noticeably more than the lowest-paid woman, and the highest-paid man made noticeably more than the highest-paid woman. These findings provide another year of data supporting the idea that the compensation distribution skews higher for men across the board.

These findings provide another year of data supporting the idea that the compensation distribution skews higher for men across the board.

[18] NAWL defined client billings as the dollar amount credited by the firm to a given equity partner as their billings. Variations on what NAWL was trying to identify with its definition of "client billings" include origination credit, fee credit, book of business, credited revenue, and similar terms.

[19] We suspect the disparity in client billings is not tied to the distribution of men and women in practice areas that bill at higher or lower rates, which has been used to explain both the differences in billing rates and client billings between men and women in the past. For example, we asked about this in the 2018 NAWL Survey, available at <https://www.nawl.org/d/do/813>. Instead, we suspect there is likely bias in the system(s) to allocate client credits to male vs. female partners. Women may be less likely to challenge origination and responsibility credit allocation than their male equity partner peers, and men may be less likely to freely give these credits to women. In addition, if female equity members think that allocation is unfair, they may be hesitant to challenge the allocation with their governance/executive and/or compensation committee for fear of blowback. To truly address this significant gap, we must engage in deeper examination of this disparity, including the potential biases responsible for creating it.



Associate Compensation

The mean compensation for a woman associate was 91% of the mean compensation for a man associate (compared to 94% last year and 95% in 2018). More specifically, the average man associate made \$19,211 more than the average woman associates in 2019 (\$217,898 vs. \$198,687, respectively).

Non-Equity Partner Compensation

The mean compensation for a woman non-equity partner was about 93% of the mean compensation for a man non-equity partner (compared to 89% last year and 96% in 2018). [20] More specifically, the average man non-equity partner made \$26,162 more than the average woman non-equity partner in 2019 (\$366,805 vs. \$340,643, respectively).

[20] This variation likely results from variances in the underlying data year-to-year.


Equity Partner Compensation [21]

Ninety-four percent (94%) of responding firms [22] reported that their most highly compensated attorney is a man (compared to 93% in 2019 and 2018). As in previous years, of the 10 most highly compensated lawyers in the firm, on average, only one of those is a woman. We also asked firms about their top 10 revenue-generating attorneys, and firms reported that there was, on average, only one woman among them. These numbers are unchanged since last year.

The mean compensation for a woman equity partner is about 85% of the mean compensation for a man equity partner (compared to 86% last year and 88% in 2018). [23] More specifically, among equity partners, the average man made \$132,426 more than the average woman in 2019 (\$861,349 vs. \$728,923, respectively).

WOMEN IN THE LAW FIRM: LEADERSHIP ROLES

Women have been consistently underrepresented among the leadership positions in the law firm, such as on the governance committee(s) that oversee the operations of the firm and often set compensation. While the particular name and function of the highest-level governance committee varies across firms, the responding firms reported an average membership for those governance committees of about 12 people, and nearly 28% were women. In the last 10 years [24], the participation of women on these committees has increased substantially, with the numbers from the last three years nearly double those from 2007 (15%). This increase in representation for women has not resulted in similar levels of representation for other diverse groups. The average governance committee of 12 people has only one person of color and no LGBTQIA+ person or person with a disability. Overall, an average of 12% of governance committee members are attorney of color, 3% are LGBTQIA+, and 0% are people with disabilities.



...regardless of how it is measured... women and people of color are compensated less than White men. The size of the gap matters much less (and is hard to pin down) than determining what produces and maintains such a gap.

[21] It has been noted that the compensation gaps we record every year reflect much smaller gaps than those recorded by other research, particularly the Major, Lindsey & Africa Partner Compensation surveys. It is important to note that, like our data, they see big changes year-to-year due to the changes in who is responding to their survey in any given year, thus reading into the differences year-to-year is not possible. We too have variance in exactly which firms respond each year, but we also survey a more stable group year over year. In addition, we survey law firms who report on their averages across all attorneys in their firms, which captures data resulting from averaging across many more individual attorneys than those captured by the Major, Lindsey & Africa surveys. In addition, we collect firm-wide data, reported by law firms rather than individual attorneys, about how they compensate attorneys, whereas Major, Lindsey & Africa collects data from a random sample of individual law firm partners, who may then reflect random data points across a wide range of compensation. What is most important to take away from the existing data is that regardless of how it is measured, and inside and outside of the legal profession, women and people of color are compensated less than White men. The size of the gap matters much less (and is hard to pin down) than determining what produces and maintains such a gap.

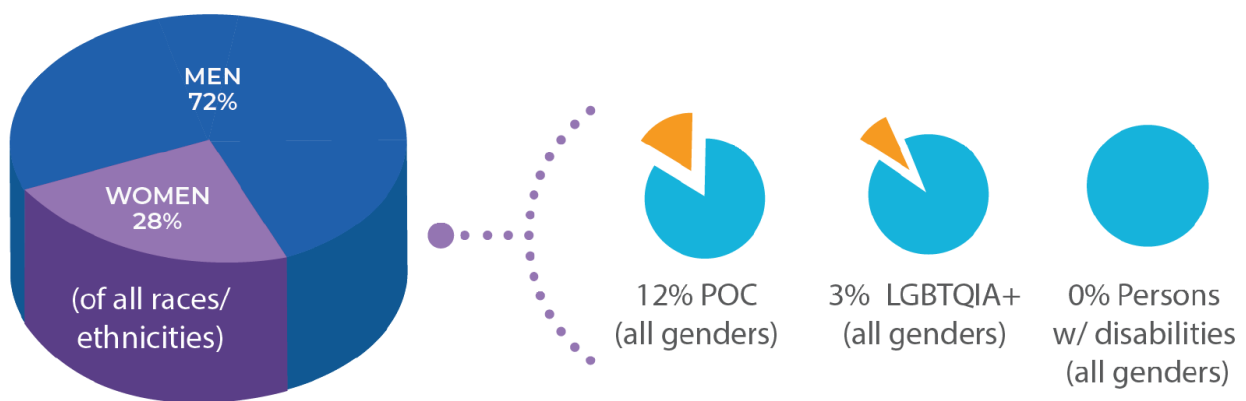
[22] The response rate for these questions compared to the more detailed compensation questions was slightly higher, ranging from n = 47 to n = 53, depending on the question. This represents about 25% of the Am Law 200 and up to 60% of the responding firms.

[23] This variation likely results from variances in the underlying data year-to-year.

[24] 2007 NAWL Annual Survey, available at <https://www.nawl.org/d/do/70>.

WOMEN ON FIRM GOVERNANCE COMMITTEES

For about 36% of responding firms, the highest governance committee sets compensation for equity partners. For the majority of firms who have dedicated compensation committees [25], these committees look quite similar to the governance committees. The average membership of the compensation committee is also about 12 people, and nearly 29% are women. On average, only one member of the compensation committee is likely to be a person of color, and none are likely to be openly LGBTQIA+ or a person with a disability; these numbers are unchanged since 2017. Overall, an average of 11% of governance committee members are attorneys of color, 3% are LGBTQIA+, and 0% are people with disabilities.



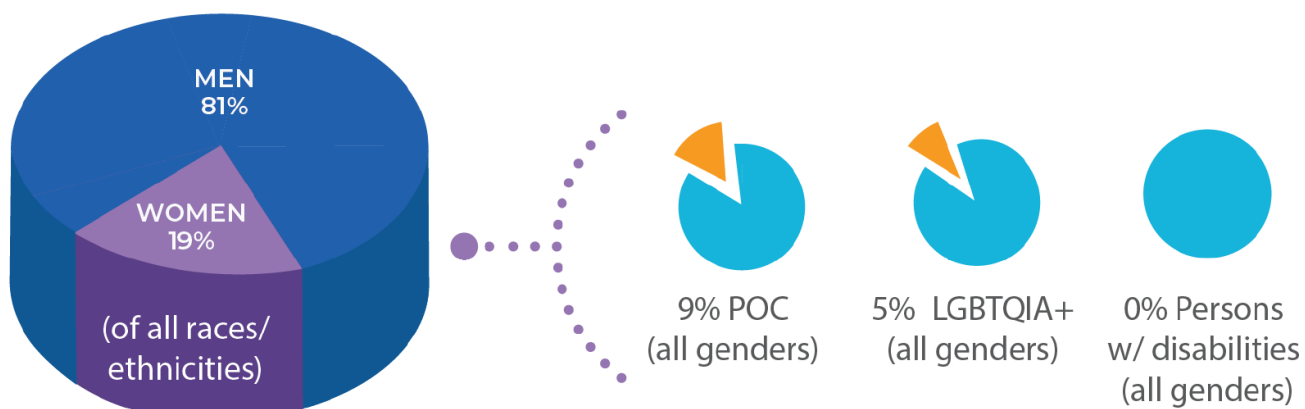
WOMEN AS MANAGING PARTNERS & PRACTICE GROUP LEADERS

Firm-Wide Managing Partners

In addition to serving on governance committees, managing partner roles at the firm, office, and practice group levels provide additional leadership opportunities. Most firms have only one firm-wide managing partner (72%), but among firms with two or more, they have much more diversity among those managing partners. On average, 19% of all firm managing partners are women, but firms with more than one firm managing partner are significantly more likely to have at least one woman (54% compared to 18%). Only 28% of surveyed firms report having a woman among their firm-wide managing partners (compared to 26% last year and 22% in 2018). In addition, only 18% of firms have a person of color among firm-wide managing partners (compared to 11% last year and nearly 10% in 2018). Finally, about 8% of firms reported an LGBTQIA+ person among their firm-wide managing partners (compared to 4.6% last year and 6% in 2018), and firms continue to lack representation of people with disabilities in this role.

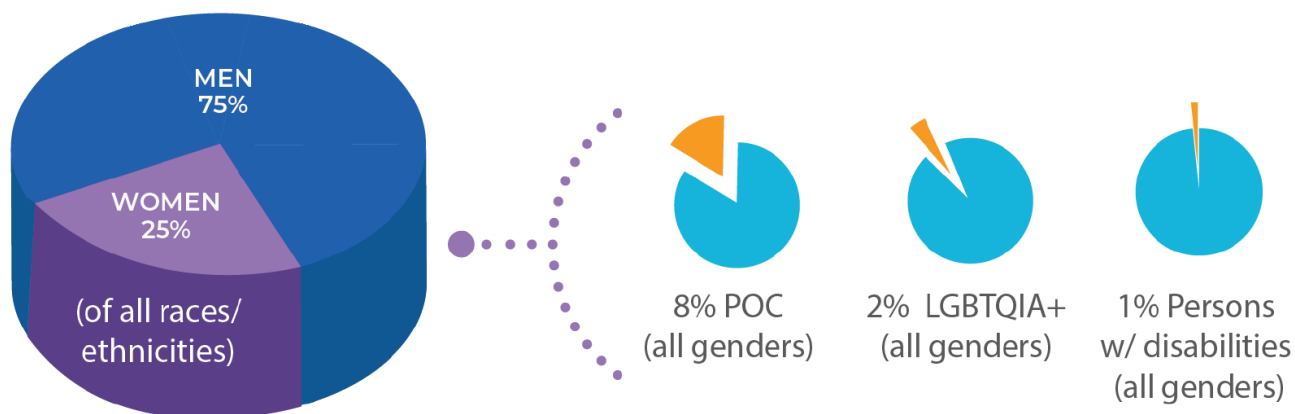
[25] A few firms reported having no committee setting compensation because they offer lockstep compensation.

Another way to look at these numbers is to look at the average percentage representation of these groups among firm-wide managing partners, and, on average, 9% of firm-wide managing partners are people of color, 5% are LGBTQIA+, and 0% are people with disabilities. Most firms (87%) report having office-level managing partners (compared to 90% last year). [26] On average, firms have nearly 14 office-level managing partners, and about 24% are women, one to two are persons of color (about 10%), and none are LGBTQIA+ (but there's an overall average of 3% of office-level managing partners are LGBTQIA+) or a person with a disability.



Finally, 98% of firms report having practice group partners/leaders. Firms reported an average of 29 practice group partners/leaders (up from 27 last year), and of those, nearly 25% are women and 8% are people of color. On average, firms report having no practice group leaders who are LGBTQIA+ or a person with a disability, although the overall averages show that 2% of practice group leaders are LGBTQIA+ and 1% are people with disabilities.

Practice Group Leaders



[26] Note that while firm-wide managing partners are likely equity partners, office-level managing partners can be non-equity or equity partners.

CONCLUSION

Overall, the numerical results of the 2020 survey are nearly an exact replication of those from 2017 to 2019. This is unsurprising since NAWL has observed that the progress women have made in law firms over the last decade has been slow and incremental at best, and law firms continue to face challenges with respect to supporting and promoting women and diverse attorneys. Despite approaching near universal adoption of diversity initiatives, including diversity committees and dedicated diversity officers, and increased awareness of the challenges women and diverse attorneys face in their advancement through the law firm, there has been little progress made in recent years that has resulted in noticeable increases in representation of women and diverse attorneys, particularly in the more senior, higher-status positions in the law firm. Now, the representation of women and diverse attorneys in law firms and the legal profession are newly threatened by a global pandemic that has put financial pressures on law firms – the type of financial stress that has resulted in cuts to diversity efforts and diverse representation in the past. Further, the shift to remote work and increased demands to support children and families no longer able to utilize schools and other services that have typically allowed women and attorneys of color to manage the demands of the legal profession alongside the demands at home has created additional challenges, if not threats, to the success and persistence of women and attorneys of color in law firms and the legal profession at large.

This year's NAWL report most obviously and most importantly provides a pre-pandemic baseline for where firms were with respect to their diversity efforts. While the pattern of the data over the last couple of years shows an increase in investments in diversity infrastructure, training, and engagement with diversity-promoting and bias-interrupting policies and practices, it also highlights that even under the best conditions, law firms still had a way to go to achieve full representation and inclusion that keeps women and diverse attorneys at the law firm. Many firms still resist the most effective best practices, those most directly aimed at reducing bias by standardizing policies and practices in ways that reduce the impact of subjective criteria and idiosyncratic decisionmakers to best practices that are standard in other corporate and professional settings. In addition, the efforts firms have been making with respect to both women's and diversity initiatives have not yet been born out in increased representation and retention of women and people of color.

As many headlines have noted, the pandemic will prove to be a test of many aspects of how law firms do business, and the hope is that law firms and the legal profession will heed the warnings to do even more to support and protect women and diverse attorneys rather than letting them and the diversity efforts meant to improve the legal profession fall by the wayside.

Survey Methodology in Brief

The 2020 NAWL Survey was sent to the 200 largest U.S. law firms [i] in February 2020, and responding law firms had until May 15, 2020 to submit their responses, as the deadline was extended to accommodate the early days of the pandemic. This year, 88 of 200 law firms completed all or significant portions of the survey [ii], a response rate of 44%. An additional 6 firms communicated that they were declining to participate this year, and 5 firms started the survey, but did not complete a formal submission by the deadline. Firms completed questions regarding the demographics of attorneys at various levels, particularly women, as well as information about credit, succession, engagement with best practices related to employment decisions, compensation, hours and billing, and diversity initiatives and other programming designed to support women, attorneys of color, and diversity, equity, and inclusion broadly in law firms.

The responding firms represent the full spectrum of the Am Law 200 rankings. As in previous years, the quartile showing the lowest response rates were from Quartile 4 (Am Law rank 151 – 200), with about 26% of those firms responding to the survey, and Quartile 1 (Am Law rank 1 – 50), with about 42% of those firms responding. By comparison, 54% of those ranked in Quartile 2 (Am Law 51 – 100) and Quartile 3 (Am Law rank 101 – 150) responded.

i Based on the 2019 Am Law 200 Rankings.

ii As noted in more detail in the compensation section, fewer law firms completed questions about compensation and hours, with many declining to provide the data, often noting that it's either considered confidential or is not collected in a way that matches the reporting format requested on the survey. As in most survey administrations, for various reasons, very few questions receive 100% response rates, and firms were encouraged to complete as much of the survey as they were willing or able to complete while also maintaining the ability to skip other portions.

Author Biography

Destiny Peery holds a JD and PhD in social psychology from Northwestern University. She writes, teaches, and speaks on the psychology of bias, stereotyping, prejudice, and discrimination, and diversity, equity, and inclusion in law, including gender bias and implicit biases. She is currently a Principal of The Red Bee Group, a woman-owned consulting firm based in Chicago.

