

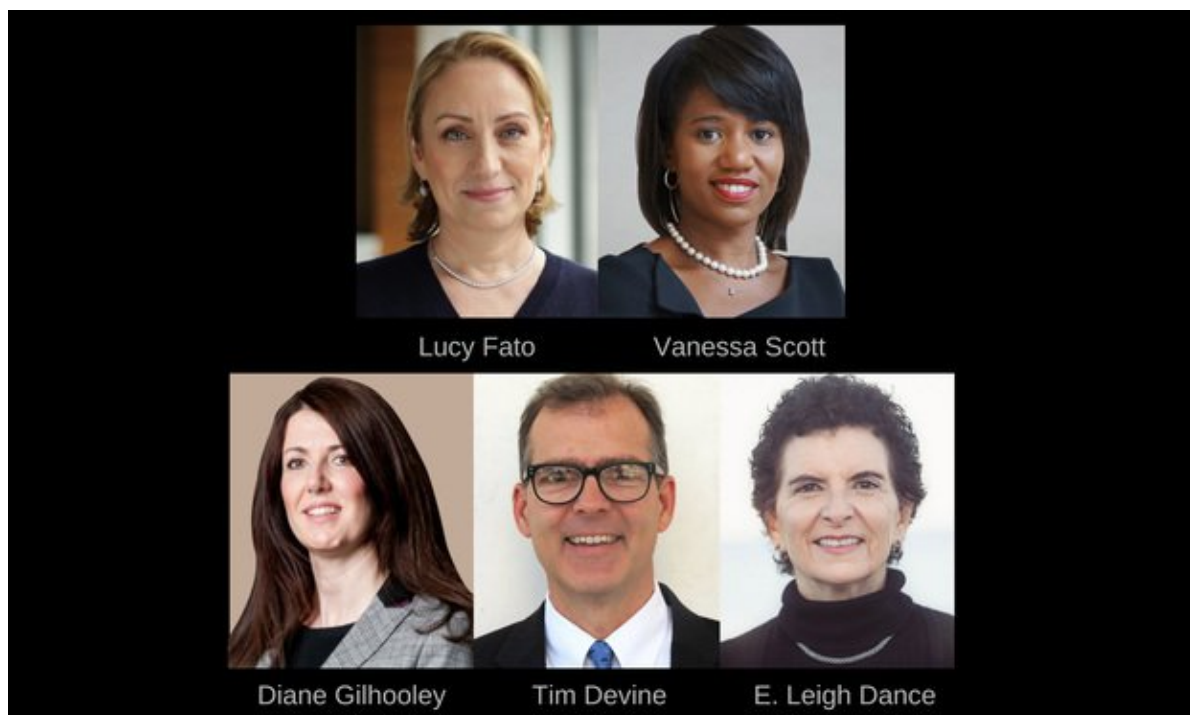
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Commentary

Global In-House Legal Leaders Share What's Working in Diversity, Equity and Inclusion

We brought together in-house legal leaders in global companies across North America and Europe, included Diversity, Equity & Inclusion experts, and gathered great tips and suggestions to speed progress.

By **Vanessa Scott and E. Leigh Dance** | June 03, 2021



The volume and sophistication of outside-counsel DE&I surveys lately proves that driving inclusion and diversity for in-house teams and their providers is a high priority in legal functions. Far more companies are having in-depth conversations with their law firms about diversity, equity, and inclusion (DE&I) as they seek to build and streamline a cohesive infrastructure to support internal and external efforts.

It can be hard to know which efforts are working best, and what are common impediments. We brought together in-house legal leaders in global companies and Diversity, Equity & Inclusion experts, to share great tips and suggestions to speed progress.

Manage Change in DE&I as You Do Other Change Projects

DE&I management is like any change management—it requires a solid foundation with an implementation plan. If your company is new to internal DE&I strategy, take lessons from previous change projects that have been successful for your legal department. Think of diversity as a business driver—incorporate tactics into your strategy that have successfully brought about organizational growth and change and follow that implementation plan.

There is no one-size-fits-all approach to DE&I strategy; it must be tailored to your company's unique culture and how the company interacts with people. How has your organization achieved success with increasing diversity in other departments? For example, was it a more diverse/inclusive hiring pipeline, or more promotion from within of diverse candidates?

All of our roundtable participants agreed that by officializing DE&I goals and tying their achievement to compensation, you make them a priority just like other business initiatives, and it's then easier to get the necessary resources to back your efforts.

Avoid Exclusion as In-house Legal Expands Roles and Disciplines

Lack of inclusion is a growing risk in corporate legal departments, due to the many professionals that have crucial roles but don't practice law, such as legal operations, technology, data analysis, commercial contracts, etc. While often unintended, a diverse legal team may not behave inclusively. The dreadful label of "non-lawyer" is one example. It takes effort to include others that have very different professional backgrounds and training, but is essential to a high-functioning, inclusive team.

The first step toward an inclusive culture is defining what works well for diverse people in your organization, and what does not. In what specific areas is diversity or inclusion lacking, and why? Could restructuring, up-skilling, or re-tooling solve these problems?

According to Diane Gilhooley, global head of Employment Law at Eversheds, the corporate approach to DE&I has several layers: different people have different needs

and priorities. “To increase equality, it helps to approach the problem from various angles.”

One angle is to understand influences locally. Country-specific influences on DE&I can diminish the impact of wide-scale corporate policies. “It’s so important that global policy be tailored at the local level, where it can gain local ownership and traction,” she explains.

Don’t Accept That Hiring More Diverse Faces Is Enough

Lucy Fato, EVP, General Counsel and Global Head of Communications and Government Affairs at AIG argues against “checking the boxes” on DE&I. “Hiring more women and other diverse candidates to check a box or simply improve diversity metrics is a mistake and not real progress,” she says. “Today’s talent pools are incredibly diverse by their very nature. Our focus should be on matching those candidates to roles where their skill set and experience will add the most value to an organization or its Board of Directors.”

“Additionally, it is incredibly important that diverse candidates be considered for leadership roles and other positions of power—whether it be in the C-Suite or in a Boardroom,” Fato says. “In order to avoid the ceiling women have encountered in the Boardroom, where women are stuck at around 20% of Board seats, diverse Directors must demand that they not be the only one at the table. One voice is not enough.”

“We shouldn’t default to hiring new diverse talent,” Fato agrees. “We should also provide opportunities for existing diverse colleagues within our organizations who have strong institutional knowledge and a track record of success.”

Fato emphasizes, “Addressing these tough questions is crucial before simply acquiring more diverse talent with new or different faces. It is overly transactional, unfair, and in the end very costly to hire diverse talent (non-white, gender diverse, ethnically diverse, etc.) without the infrastructure in place to truly integrate these hires into your organization.”

Involve Mid-Level Managers to Help Drive Change

Gilhooley has found that senior management may be highly committed to reach D&I goals, but middle managers must also be educated about your organization’s D&I initiatives and encouraged to promote them with their teams. “When your D&I statistics are disappointing, it’s often too easy to place the blame on centralized policies or hiring or promotion strategies,” she says.

“These can be important factors, but the barrier to progress can also be middle managers’ day-to-day actions. Positive change can happen more quickly if they are allocating work fairly, encouraging and modelling inclusive behavior, creating a safe environment, and actively supporting talent development.”

Demonstrate a Workplace That Nurtures DE&I

An important ground stone of any DE&I program is to consistently communicate to employees and new hires (via many distribution channels) that your company culture *nurtures* diversity and inclusion, so that your people feel supported and can thrive in your environment.

To demonstrate that the culture nurtures diversity and inclusion, Timothy Devine, General Counsel of Detroit Land Bank Authority, recommends that we “Create safe spaces for people to openly share their experiences, concerns, needs and ideas: cross-office workshops and socials, anonymous surveys, welcoming people to share personal stories at the beginning of meetings, open office hours on Zoom. Build trust by being open about your own struggles and failures, so that people feel comfortable doing so themselves.”

Accept Mistakes and Course-Correct to Build an Inclusive Culture

Most agree that people are often afraid of speaking about and acting on diversity goals because they’re concerned about failure or “saying the wrong thing.” “Create the right environment for upskilling your teams by being accepting of failure and learning,” she suggests.

Practicing equity is equally important. We define equity as equal opportunities for everyone to advance and thrive in the organization. It means that everyone in the company feels comfortable knocking on their manager’s door and can rely on transparent conversations about their work, career, goals etc.

Tap Into the Power of One-to-One Relationships and Sponsorship

Some of the most successful one-to-one initiatives have happened by transitioning from mentorship to sponsorship. Sponsorships encourage two people at different levels or roles to really get to know each other. The sponsor can then effectively advocate for the other person across the organization.

According to Devine, “You can’t be a ‘sponsor’ for people unless you know the *people*, not just the *workers*. It’s important to take time to speak to everyone you

can—develop personal relationships and understand their needs and concerns—from office clerk to operations person, to paralegals, to 25-year executives.”

AIG’s Fato finds that “women and other underrepresented groups often do not get as many opportunities to get to know their coworkers and develop meaningful relationships that help develop allyship.”

Leverage Employee Resource or Special Interest Groups

We recommend using special interest groups or employee resource groups (ERGs) to speed progress. These are groups made up of people of various demographics that unite across the organization as ambassadors for DE&I and other ESG efforts within your company. They can organize conversations about relevant topics such as racial injustice, cross-culture disconnects, equal pay, etc. They can help leaders identify the best channels to bring various diversities into your organization. ERGs can also help clarify specific problems that exist around DE&I in each country of operation.

General Counsel Devine believes we need to make room for open discussion across company tiers and encourage leadership at all levels. “Steer away from antiquated pecking orders by finding new mechanisms by which new hires and junior people can advance in the legal ladder without it taking decades,” he suggests. His example is a Legal Managers committee that is not necessarily structured hierarchically or strictly logically.

Be Disruptive

Changing things up is a great way to bring new participation and boost DE&I. Fato rejects the common argument that not enough good diverse talent is available in the corporate employee marketplace. “This is an incorrect assumption and should be disregarded,” she says. “If your company is struggling to recruit diverse talent, try broadening your recruiting scope. For example, at AIG we don’t just recruit from the insurance sector but also from banks, other financial institutions, complex, global, highly regulated companies across industries, and any other sector where we find relevant skills applicable to open positions.”

Devine describes how Detroit Land Bank changed things by instituting new committees with no management leadership. “Organically, natural leaders emerged, and the committees have been very productive, in ways unlikely to have worked in the old ‘top-down’ model,” he explains. “All three of the new committees (Pro Bono, CLE/Training, and “Connections”) run on a diffuse leadership model that includes

strong women and minorities who did not previously have leadership opportunities in the organization.”

Make DE&I Work Across Multiple Jurisdictions

When it comes to global DE&I policy, Gilhooley says it begins with knowledge of local legislation and cultural issues within localities. “This is critical in order to understand whether you should embed the same approaches locally as you do globally, and what changes need to be made on the local level for global policies to be effective (and vice versa).”

For those focusing globally, Gilhooley encourages in-house counsel to comprehend each jurisdiction’s legislation and culture related to DE&I. This includes local laws and culture around race, religion, gender, sexual orientation, age and disability. She advises general counsel to ask:

- What cultural or organizational challenges exist in that jurisdiction?
- What legal protections exist?
- Are there any diversity transparency/reporting requirements?
- What priority does the country give to different diversities?

Responses may differ starkly. This knowledge can help find breakthroughs to successfully address and promote diversity locally. It can also surface opportunities to advocate in less accepted areas of diversity.

Prepare to ‘Fail Successfully’!

Devine encourages others to fail successfully: “There are no 100% guaranteed sure paths to success in D&I. Start somewhere, stay open to change, and take an intentionally disruptive approach fueled by a commitment to succeed. Then, even when we inevitably fail with some efforts, we will open up other new avenues to improvise and succeed. Both the process and the outcomes are worthwhile.”

A comment from Natalie Bellwood, DXC Technology head of global employment law, resounded for many. Quoting U.S. President Harry Truman, she suggested: “Imperfect action is better than perfect inaction.”

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leaders and teams achieve positive change globally. We thank our roundtable participants for their valuable contributions, and especially the discussion leaders quoted here.

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