

# GOAL IX

*To promote full and equal participation in the legal profession by minorities*

AMERICAN BAR ASSOCIATION COMMISSION ON RACIAL AND ETHNIC DIVERSITY IN THE PROFESSION Volume 12, Number 2



## Partnerships

By W.H. Knight, Jr.

W.H. (Joe) Knight, Jr. is the Dean of the University of Washington School of Law.

As of 2005, there were 1.2 million attorneys in the United States. As the Dean of an institution seeking to add to that number, I am frequently asked about the path to success as an attorney. For most in our profession, the word partnership suggests a crowning achievement—a business model and an aspiration—to become a participating member of a professional organization, the law firm. For many legal professionals of color, the path to this aspiration is a bit more remote. The laudatory work of the Commission on Racial and Ethnic Diversity in the Profession has sought “to promote the full and equal participation in the profession by minorities, women and persons with disabilities”.<sup>1</sup> All of us know that we still have much work to do in this area.

Racial and ethnic group members account for just 10% of our profession despite the fact that minorities constitute 30% of the nation’s population. In fact, no single minority group in the United States accounts for more than 4% of the lawyers in the country.

Surprisingly, a higher percentage of minority group members begin their careers with large law firms.<sup>2</sup> But, within five years, nearly all of those minority

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## Diversity in Law & Corporate America

Louise Parent

Louise Parent is the Executive Vice President and General Counsel of the American Express Company.

*The following are remarks delivered by Louise Parent at the fall meeting of the ABA Minority Counsel Program on September 7, 2006. The ABA Commission on Racial and Ethnic Diversity in the Profession thought that the readers of its Goal IX Newsletter would appreciate an opportunity to read those remarks in their entirety.*

I am delighted to be here.

Let me start by saying that I’m not here tonight with all the answers, with the secret formula for diversity in the legal profession. Along with many of you in the room, we’re still trying to make more progress and are working toward a common goal. I applaud your efforts to address the issues and your involvement in this forum. While no one individual has the recipe for success, sessions like this – that facilitate networking and bring together people who are tireless in their commitment to improve diversity – are helping provide many of the necessary answers.

Tonight I will share some of our experiences at American Express and some of my personal experi-

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# Chair's Message

## Diversity Is Not A Zero Sum Game

Kay H. Hodge

Chair, ABA Commission on Racial and Ethnic Diversity in the Profession

**A**s lawyers of color increase in numbers and some gain power previously held only by white males, I urge that we use the power and positions we achieve to transform our profession and not merely to benefit ourselves or our own minority group at the expense of those previously in power or other minority groups.

Diversity is not a zero sum game. Gains by any one racial or ethnic group must not be considered a loss for other groups. The more equitable distribution of opportunities and power benefits the profession as a whole, and will help to ensure that the profession and the justice system are better able to serve the public and to merit its confidence.

Although you have certainly read and heard other similar messages, it bears repeating that diversity is too important to allow us to become complacent or stagnant in our thinking. And reminders are always useful.

We must work together and advocate for each other. When an issue affects one group, we should all band together to speak out. It is impossible to identify all the myriad ways that such collaborations may occur. However, a few obvious situations come to mind.

We need to be concerned about the representation of lawyers of color at majority law firms. In particular, we must call for the elimination of the barriers and discrimination which cause women of color to leave large law firms in growing numbers. While many minority men do not succeed in majority firms either, women lawyers of color must overcome the barriers imposed on both gender and race. The ABA

Commission on Women's recently completed study on "Visible Invisibility: Women of Color in Law Firms" exposes their plight.

Another issue is the sharp drop in the number of Black/African American and Hispanic men in law schools which may be explained in part by the fact that Black/African American and Hispanic boys and young men are dropping out of school in disproportionate numbers. In addition, many are being incarcerated at an alarming rate. This should concern us all. Although the issue may not be prominent on the screen of Asian lawyers, we must all help to address this serious issue.

Likewise, we should all work to increase diversity among judges. According to the most recent census, out of 48,530 judges, 5,155 (8.8%) are Black/African American (compared to 12.3% of the population), 2,650 (4.5%) are Hispanic (compared to 12.5% of the population), 910 (1.6%) Asian (compared to 3.6% of the population), and 465 (0.8%) Native American (compared to 0.9% of the population). When compared to the lawyer population, the number of Asians on the bench is significantly lower than their 2.9% representation in the overall lawyer population or 3.6% of the total population. As long as a shortage of minority

judges persists, Black/African American and Hispanic lawyers should not only advocate for judges from their racial and ethnic group, but also for more Asian judges. In addition, we should not forget that there are no Native American judges on the federal bench. All groups should advocate for more diversity



Former Commission Chairs José Gaitan, Dennis W. Archer and Hon. Bernice B. Donald join current Chair Kay H. Hodge in cutting a cake to celebrate the Commission's 20th Anniversary at the 2006 ABA Annual Meeting

on the United States Supreme Court. We are all in this together. If we see it as a win/lose among minority lawyer groups, then it will be easy for the white establishment to continue to ignore us.

This spring, I attended the National Muslim Lawyers Association conference in Washington, D.C. and made clear the Commission's interest in working with their Association. Muslim lawyers face enormous challenges for themselves and on behalf of their

communities. They are affected by many of the same issues racial and ethnic minority groups have faced throughout this country's history. We should join with our Muslim colleagues and raise our collective voices to condemn the racial and religious profiling, discrimination, and other violations of civil liberties raised by the government's anti-terror policies since September 11th.

The need for inclusion extends beyond race, ethnicity and gender. We should take steps to ensure that we, as minority lawyers and bar groups, model the best practices of inclusion. We must ensure that we do not perpetuate narrow stereotypes that discriminate and deny opportunities to others. This means educating ourselves and welcoming lawyers with disabilities, and gay and lesbian lawyers.

We should learn about the unique needs of our disabled colleagues, who suffer from not only the problems faced by all minority attorneys, but also the unique challenges imposed by their physical or mental impairments. The ABA Commission on Physical and Mental Disabilities is available to provide both education and assistance. We should also ensure that lawyers of color, who happen also to be gay or lesbian, are welcomed within this and every other bar association, in our firms and other legal work settings.

Why should you care? The simple answer to the question is that it is the right thing to do. In addition, the inclusion of diverse perspectives, not just that of one or two groups, will help to enhance the quality of justice and decisions made. Every minority lawyer who advances in a firm, corporate legal department or other legal workplace adds to the critical mass of those who can mentor or promote others. Each improves the odds that that a wider range of perspectives will be voiced at the table when critical decisions are being made and the odds of minority clients being represented or judged by someone with an understanding of the issues they face. Diversity is not a zero sum game.

## New and Noteworthy

### SPIRIT OF EXCELLENCE AWARDS

*SAVE THE DATE - FEBRUARY 10, 2007*

The Spirit of Excellence Awards were established by the Commission to celebrate the efforts and accomplishments of lawyers who work to promote a more racially and ethnically diverse legal profession. It is the highlight of the ABA Midyear Meeting. Join us on Saturday, February 10, 2007 at the Hyatt Regency Miami as we celebrate the achievements and accomplishments of the 2007 Spirit of Excellence Award recipients:

- Paulette Brown - Former President of the National Bar Association and Partner, Edwards Angell Palmer & Dodge LLP, Short Hills, NJ
- William T. Coleman, Jr. - Former United States Secretary of Transportation; Presidential Medal of Freedom recipient; and Senior Counselor, O'Melveny & Myers, Washington, D.C.
- Hon. Joseph W. Hatchett - Former Chief Judge United States Court of Appeals for the Eleventh Circuit and Shareholder and Chair of the Appellate Practice Group, Akerman Senterfitt, Tallahassee, FL
- Arturo L. Jaramillo - Former President State Bar of New Mexico and Cabinet Secretary New Mexico General Services Department, Santa Fe, NM
- Paul W. Lee - Former President, National Asian Pacific American Bar Association and Partner, Goodwin Procter, LLP, Boston, MA
- Hon. William S. Richardson - Former Chief Justice Hawaii Supreme Court, Honolulu, HI and Founder of the University of Hawaii School of Law, now called the William S. Richardson School of Law

- Thomas A. Mars (Corporate Award) - Chairman, ABA Minority Counsel Program Steering Committee and Senior Vice President & General Counsel, Wal-Mart Stores, Inc., Bentonville, AR

For more information about the 2007 Spirit of Excellence Awards, visit [www.abanet.org/minorities/spirit/home.html](http://www.abanet.org/minorities/spirit/home.html) or contact Richard Williams at (312) 988-5643.

### ORAL HISTORY PROJECT

The Commission's oral history project is off and running! The objective of the Oral History Project is to capture the personal histories of those individuals who have been notable pioneers in the ethnic and racial integration of the legal profession, in particular, those who have had a role in effecting change in our profession and in our society, and who have overcome great obstacles in achieving their accomplishments. The primary purposes for the preparation of these histories are to insure the stories of our trailblazers live on, to inspire racially and ethnically diverse students to join the profession, to educate the public concerning these pioneers, the world in which they lived and how much richer and freer our world is due to their efforts and their sacrifices, and to provide informational material for the ABA. Our goal is to create high quality, superior content products that can be disseminated efficiently and stored in a central location to serve as an archive. Working with ALI-ABA, we now have a videotaped interview with Hon. George N. Leighton. Production is beginning on videotaped interviews with Mario Obledo, the founder of MALDEF and Hon. Cruz Reynoso, the first Hispanic to serve on the California Supreme Court. If you have other suggestions of individuals whose stories should be preserved through an oral history interview, please let us know. Send your suggestions to the Commission at [minorities@abanet.org](mailto:minorities@abanet.org).

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**New and Noteworthy**  
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## RUNNING FOR OFFICE

Have you ever thought about what you'd do if you were in charge? Have you thought about the changes you'd propose, the improvements you'd make, the common sense you'd apply? Well now is the chance! Lawyers, with their analytical abilities and problem-solving experiences, are uniquely well-suited to serve as public officials. Yet surprisingly few minority lawyers ever seek elected office. In conjunction with the Charles Hamilton Houston Institute for Race and Justice at the Harvard Law School, the Commission will be presenting a program to educate and train minority lawyers about how to run for elected office – be it judgeships, school boards, local town councils, state legislatures, or even statewide office – and how to do it successfully. The program will be held at the Harvard Law School in Cambridge, MA. Watch the Commission website at [www.abanet.org/minorities](http://www.abanet.org/minorities) for more details.

## NATIONAL CONFERENCE FOR THE MINORITY LAWYER

The National Conference for the Minority Lawyer will be held June 27-29, 2007 at the Seaport Hotel in Boston. If you've attended the National Conference in the past, you know you won't want to miss this. And if you've

never attended, this is your chance to hear prominent speakers, attend cutting edge CLE programs, and meet other minority lawyers from across the country. Watch the Commission website at [www.abanet.org/minorities](http://www.abanet.org/minorities) for more details as they become available.

## MINORITY COUNSEL PROGRAM

The fall meeting of the ABA Minority Counsel Program was held September 7-8, 2006 in Chicago. We had record attendance for a fall MCP meeting; over 50 corporate counsel participated. This year, we introduced a new feature where practice area-specific CLE programs fostered additional business development opportunities for our attendees. Among the speakers at the fall meeting were D. Cameron Findlay, the General Counsel for Aon Corporation; Kelly Tullier, the General Counsel for Frito Lay; Louise Parent, the General Counsel for American Express, Tom Mars, the General Counsel for Wal-Mart; Janice Innis-Thompson, the Chief Compliance Officer for Tyco; former ABA President Robert E. Hirshon; and Debra de Hoyos, the Managing Partner for Mayer Brown, Rowe & Maw.

The spring Minority Counsel Program meeting is scheduled for April 12-13, 2007. Watch the Commission website at [www.abanet.org/minorities](http://www.abanet.org/minorities) for more details as they become available.

## Commission 20th Anniversary Commemorative Tile



To mark the occasion of its 20th anniversary, the ABA Commission on Racial and Ethnic Diversity in the Profession has produced a ceramic tile to commemorate 20 years of promoting the full and equal participation in the legal profession by minorities. Only a limited number of these tiles are available. They are suitable for hanging, framing or use as a paperweight or trivet. Each tile is \$20.00. Order yours today! Order forms are available at [www.abanet.org/minorities](http://www.abanet.org/minorities).



# Judicial Clerkships and Legal Careers

Charisse R. Lillie

Charisse R. Lillie is the Vice President, Human Resources for Comcast Corporation and a former chair of the ABA Commission on Racial and Ethnic Diversity (1999-2002)

**K**udos to the ABA Commission on Racial and Ethnic Diversity in the Profession for maintaining its focus on encouraging diverse lawyers to pursue judicial clerkships. \* The Judicial Clerkship Program, which is held annually at the ABA Midyear Meeting, exposes law students to a snapshot of what a clerking experience would be.

A clerkship early on in a legal career provides several advantages. If the students are inclined to pursue a career in litigation, this is an opportunity to draft opinions, attend court hearings and observe first-hand the decision-making process employed by a judge. They will also more likely than not be the beneficiaries of mentoring from their judges. If the clerkship is in the locality where they intend to practice, the new lawyer will have a local senior member of the legal profession who is personally invested in their success. The typical judge will champion their career and provide guidance and mentoring in the future. Most judges, in fact, continue to mentor their former law clerks, regardless of their location. For law students who are not inclined to pursue litigation, the clerkship can still present an excellent opportunity to hone and tighten their writing and analytical skills.

Many law students worry about the relatively low salaries that law clerks are paid, and that is a legitimate concern in light of the debt load that many recent graduates face. They should, however, think of the clerkship as a long-term investment that will pay for itself many times over due to the value it will add to their professional development, their careers and their resumes.

I clerked for the Honorable Clifford Scott Green, for two years immediately after law school. I consider it two of the

most important years of my legal career. Judge Green sits to this day as a Senior Judge of the U.S. District Court for the Eastern District of Pennsylvania. When I clerked, there were two African American judges on the District Court – Judge Green and the Honorable A. Leon Higginbotham, Jr. Most of the diverse law clerks were working in their chambers until Judge Louis Pollak was appointed to the U.S. District Court. These three judges, who by the way are all ABA Spirit of Excellence Awardees, were in the vanguard of bringing diversity into the law clerk ranks of the federal bench.

Judge Green designed the two year staggered clerkship at that time so that each year he had a junior law clerk and a senior law clerk. The senior law clerk had the benefit of a year of seniority and often augmented Judge Green's training and orientation of the junior law clerk. The senior law clerk was in effect a "mentor-in-training."

Judge Green had the law clerks sit in on pretrial conferences, oral arguments and trials. Before the court hearing, we often discussed the legal theories underpinning the relief that was being requested or challenged, and he shared his judicial philosophy in resolving cases. After each court hearing, he gave us a critique of the legal arguments, the briefs, the legal strategy and the quality of the lawyering. My co-clerk and I were literally in a legal laboratory. The lessons I gleaned from Judge Green were with me always as I pursued a career as a litigator and assumed leadership positions in the Bar.

Judge Green was and is a mentor without peer. During my clerkship, there were frequent visits from former law clerks who thanked him profusely

for all of the practical lessons they learned during their clerkships. They lauded him for his continued mentoring. At the law clerk reunions that we have held in Judge Green's honor through the years, I am always amazed at the tributes, as one law clerk after another tells remarkable tales of the breadth and depth of his mentorship.

My personal wish is that all diverse lawyers seeking clerkships are able to replicate my clerking experience. Notwithstanding the financial sacrifice, the enhancement of professional skills and the development of an intense on-one professional relationship with a member of the judiciary is priceless.

Clerkships in state and federal court, trial courts, appellate courts, tax courts, bankruptcy courts, are all fair game. Networking with former law clerks is a good idea, so that the quality of the potential clerking experience can be assessed. Many judges are willing to hire law clerks who have had some real world experience. Accordingly, lawyers who have decided to forego clerking right out of law school can also seek clerkships after one or two years of practice.

Any law student reading this article should consider participating in the ABA Commission on Diversity's Judicial Clerkship Program. Beginning a legal career as a judicial law clerk is a move that will pay dividends for many, many years to come. I highly recommend the path.

*\* Responsibility for the ABA Judicial Clerkship Program has recently shifted to the ABA Presidential Advisory Council on Diversity in the Profession but continues to be a joint program with the ABA Judicial Division.*

## Partnerships

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group members have left their initial law firm.<sup>3</sup> Clearly, the path to partnership is still a lonely 'wilderness' for many people of color.

### Initial Employment in Private Practice by Race/Ethnicity

White:	58.7%
Black:	42.9%
Hispanic:	52.9%
Latino:	55.9%
Asian:	57.8%

### Private Practice Employment

Firm Size	Minorities	Non-Minorities
501+	20.8%	15.3%
500-251	9.4%	8.7%
250-101	9.0%	9.3%
51-100	5.7%	6.3%
26-50	5.4%	7.1%
11-25	8.1%	11.5%
2-10	28.2%	32.4%
Solo	3.2%	2.7%

Source: NALP's Jobs and JDs, 2004.

Importantly, firms and their clients are looking to improve these numbers. For most firms and businesses, this search is one of business necessity. By 2050, minority group members will constitute more than 50% of the population.<sup>4</sup> Business leaders understand that continued growth and prosperity must include reaching people and communities from every lifestyle. Of course, there are additional pressures being created from within corporate cultures. For example, there are 28 minority General Counsels of Fortune 500 companies.<sup>5</sup> GC's like Paula Boggs of Starbucks, have made racial and ethnic diversity a must for law firms seeking to gain a portion of the legal business for this fast-growing company.

The domino effect has meant that law firms are now looking at the racial composition of law school classes, and we in law school, are looking at the pipeline to law school. Yet, the numbers of racial and ethnic minority students entering law schools are declining.

Law school admissions test applications have declined each year since 2003.<sup>6</sup>

But, how do we realize this dream of increasing the ranks of Latino, African American, Asian American or Native American lawyers? Partnerships.

Although both majority and minority organizations have created some effective, working partnerships, many, many more are necessary. In addition, our profession must reach beyond high schools, colleges, and universities. Legal professionals, law professors and law students, as well as university educators and members of the business and public interest communities must all unite to communicate a singular and consistent message: that our future depends upon our embracing difference and education. And, we must take this message into schools and communities at every level.

For some people of color, the product of higher education has been for us to leave our neighborhoods and not look back. If education has provided us

with social mobility and economic opportunity, we need to see it as an obligation for us to go into communities of color to provide a living example of work and reward. The idea of instant gratification, while nice when it happens, may have become more of an expectation. Without a consistent message about the benefits of time and sacrifice invested in education, young people, especially those in many communities of color, can be misled into believing there is a shortcut to success. Dispelling this belief should be our charge. I believe that the only way we can meet that charge is for us who know the benefits of educational and professional effort, to spend more time with young people, encouraging and mentoring them. We must make time in our busy schedules to meet young people in schools, community centers, on playgrounds, in churches—anywhere a message of hope can be given through example and lived experience. Our firms and businesses must rise to the challenge and help in fostering such a message. Saying we *want* diversity won't cut it. Each of us must commit to diversity in our own actions and in our extended actions.

The future depends upon how we partner today to prepare ourselves and communities for the challenges of tomorrow. We have many wonderful new

### Attrition Rate of Departing Associates Within First Five Years

Firm Size	Minority Associates	Non-Minority Associates
<100	88%	81%
101-250	87%	79%
251-500	84%	77%
501+	77%	77%
All Firms	80%	77%

### Representation of Minorities at Major Law Firms

Firm Size	% Minority Partners	% Minority Associates	% Minority Summer Associates
<100	4.6%	11.6%	12.8%
101-250	3.6%	12.2%	19.6%
251-500	4.1%	14.1%	21.6%
501+	5.8%	18.5%	25.8%
All Firms	4.6%	15.6%	22.9%

Source: NALP's Jobs and JDs, 2004.

prospects for partnering across educational, business, and service communities. Some of us recognize that the key factor in the world of tomorrow is increasing the supply of smart and diverse people who know how to work and live together. We must start with that message early, demonstrate it in our actions and extend it to younger and younger citizens, helping them to see a different and brighter future.

1. ABA Goal IX.

2. Initial Employment in Private Practice by Race/Ethnicity - see chart page 6

3. Attrition Rate of Departing Associates Within First Five Years - see chart page 6

4. California is already majority minority. More tellingly, 43 % of U.S. firms do not have a minority partner. MCCA 2005 Fortune 1-1000 General Counsel Survey Results, 2005. <http://mcca.com/site/data/magazine/2005-09/fortune500women0905.shtml>

5. 15 Black, 5 Hispanic, 3 Asian, and 1 Native American. 5 of the GCs are women. The numbers are 29, 9, 8, and 1 for the respective 47 minority general counsels in Fortune's 1000. Thirteen of the forty-seven minority GCs in the Fortune 1000 are women. Id.

6. Source: Law School Admissions Council website: <http://lsac.org/LSAC.asp?url=lsac/tests-administered.asp>

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## Sign up for Commission List Serves!

Interested in receiving regular updates about Commission activities? Want to learn about current job postings seeking diverse candidates? Are you a minority bar leader who wants to be in contact with other minority bar leaders? Would you like to receive periodic postings of news blurbs about diversity issues? Sign up for one of the Commission's list serves such as "KeepUp" to stay current with Commission activities, or "MICJob" to receive notice of job postings sent to the Commission, or "DiverseNews" to get newsblurbs about diversity issues at [Minorities@abanet.org](mailto:Minorities@abanet.org).

## Diversity in Law and Corporate America

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ences in the legal profession. My hope is these experiences can be illustrative of the path we've taken and perhaps highlight an opportunity or two for you and your organizations.

We all know the facts. Minority representation in law is lower than other professions. ABA research tells us that minority representation in law is less than 10 percent compared to 20 percent among accountants and auditors; 25 percent among physicians and surgeons and 18 percent among college and university teachers.

Four out of five minority women quit private law firms within five years; almost half the women of color in law firms said they don't get good assignments and they don't get in front of clients enough.

Under representation is not only evidenced in law firms – minorities are under represented in-house too.

We need to understand why our profession is lagging. And we need to look around us – inside and outside our industry – to find creative ways to bridge the gap.

When I joined the American Express General Counsel's Office in 1977, being one of a handful of women on the team, I was very much a minority. But, even then, American Express had one woman lawyer in senior leadership, whereas the law firm I left had not a single woman partner.

That was close to 30 years ago and we've come a long way since then. We now employ many more female attorneys, promote more women to senior roles in our general counsel's office and, importantly, we have become more ethnically and racially diverse. I personally have benefited from American Express' commitment to diversity. I found a place to build my career where I was judged by my achievements and offered lots of opportunities not limited by my gender.

When I was appointed general counsel of American Express in 1993, I made diversity a personal priority. I must confess here – I had some help coming to this point of view. About two months into the job, an executive coach asked me how I was going to fulfill my responsibility as a role model to women in the Company. The question stunned me. I had been completely focused on mastering my new job and still felt that I was learning the ropes – "I just don't have time to be a role model," I said. "Maybe next year".

The coach said to me - "You can't 'opt out' of being a role model – because of your position, whether you like it or not, you already are one. Your only choice is to be a good role model or a bad one".

I gave this a lot of thought and decided that if I could personally help our company in the area of diversity I would be making a really important contribution. Through this provocative question, what I came to realize is perhaps something each of you in this room already understand: that the reality is all of us are role models – it is what we do with that responsibility that makes the difference. My choice is to use this chance constructively to help achieve greater opportunities for women and minorities at American Express – particularly in my own department.

Let me share some of our thinking. First, our department benefits from the fact that diversity is a high priority for everyone at American Express, not just those in the general counsel's office.

Diversity is something we strive for because we value our people and we know it's their talent and engagement that set us apart from the competition.

We work hard to create an environment in which people – regardless of differences – can reach their fullest potential. We do so not just because it's the right thing to do. We also do so because we believe diversity makes us stronger.

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# *ABA Annual Meeting Wrapup*

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## Diversity in Law and Corporate America

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For American Express, having a diverse workforce is a business imperative for three primary reasons.

First – to lead in the marketplace, we must attract the most talented people and help them thrive so they remain with us. You can't win the war for talent if you exclude a good portion of the workforce from your recruiting efforts. As you well know, the best and brightest people don't all look and think the same way. People of character, competence and integrity come from all backgrounds.

Second, being a leader in diversity provides us with a competitive advantage and I expect that's the same for many of your companies or firms too. That's because reaching our business goals, pioneering new products and providing superior service can't happen if we all think the same way. We need to draw on different perspectives to remain innovative, to truly understand the needs of our diverse customers. Being a leader in diversity strengthens a company's brand image, employee engagement and customer loyalty.

And, finally, it's not surprising that there's a link between having a workforce that attracts the best talent from a broad spectrum and increased productivity, improved organizational effectiveness and ultimately superior shareholder value. We call this 'the service profit chain' – satisfied employees lead to satisfied customers and, in turn, to satisfied shareholders.

Across American Express we've believed in the power of diversity for a very long time. And, it's no coincidence that we have built a reputation for being a great place to work and a company that embraces diversity.

Over the years, we have worked to attract and retain minorities, and ultimately promoting them to senior roles in the Company.

The approach we have taken is: top-

down and bottom-up. We insist on leadership engagement in solving diversity challenges; and employees at all levels of our company are encouraged and rewarded to drive diversity. There are many ways we can do this, but I will describe a few of them under four key themes.

### **To Start - Leaders must insist on and be rewarded for diversity practices.**

We have a Diversity Council – which I co-chaired at our Chairman Ken Chenault's request for many years – which is made up of senior leaders across the company. It shapes our overall diversity vision and policy, promotes best practices, and monitors our progress against other leading companies.

Leaders are goaled and compensated on employee satisfaction, engagement and diversity at American Express. In common business vernacular, we put our money where our mouth is and hold our leaders accountable for making our company more diverse.

My bonus is impacted by how well I achieve my employee goals. These goals have specific diversity metrics and measures – whether all employees in my department are satisfied. I also get rated on my ability as a leader to develop diverse talent.

I think it's also a leaders' insistence that really drives diversity in the hiring process. Insistence that hiring managers seek out a diverse slate, including minority candidates as part of the hiring process. I am not talking about a tick box that says you did it – but rather a positive, active conviction that minority candidates must be part of the recruitment process.

I do not accept somebody saying "I couldn't find any minority attorneys who specialize in X, Y, Z" as good enough. I am talking about not making a hiring decision until you have tapped into minority networks, talked to minority professionals, and found out who might be a great candidate.

As lawyers, we also have a unique opportunity to help shape the diversi-



ty jurisprudence in the U.S. A good example was the Amicus brief to the U.S. Supreme Court submitted in 2002 on behalf of dozens of U.S. companies, including American Express, supporting the University of Michigan's admissions policy, which considered race as one of several factors. We submitted the brief not because we were experts in higher education; but because we thought the Court should hear that we had a business interest in hiring well qualified diverse students. We were very gratified when the Court mentioned this interest in its opinion.

**Secondly – Employees at every level of the organization should be encouraged and supported in their diversity efforts.**

Employees throughout American Express participate on Diversity Teams in their business units. These teams are charged with advancing our diversity value by sponsoring programs on training, awareness and development.

We also encourage and support a large number of Employee Networks – employee formed groups that bring together people with common interests. Employee Networks have had a tangible impact on our business and on our company – and driven many changes that help us to attract and retain people, improve employee satisfaction and be more diverse.

For example – in 1997, our gay and lesbian network was instrumental in convincing the company's leadership at the time to add domestic partner benefits at American Express.

In 1998, WIN – the American Express Women's Network – that I sponsored for many years – was a driving force behind the development of our Alternative Work Arrangement program which includes flexible hours and working from home arrangements.

The Black Employee Network has played a crucial role in on campus recruiting.

While these policies may seem mainstream today, I can assure you that they weren't 10 years ago. Our networks really helped us to advance the corporate thinking.

Fortunately for us the list of new ideas coming from the networks goes on and on even today so that we'll hopefully continue to evolve our policies and stay corporate leaders.

**Thirdly – Diversity must be done right and not for diversity-sake.**

What I mean here is only hiring candidates because they are right for the job.

Diversity is not about quotas – I want the best people working for me – the right person for the job. If you hire any person for the wrong reasons, it will leave a negative impression and will adversely impact the team. If you hire a minority lawyer because he or she is the best candidate and right for the job – and if you help these lawyers progress and develop – they will attract other good attorneys to your organization. This is a wonderful virtuous cycle.

Minority employees help to tap into minority networks. And I want both the formal and informal networks to be talking about American Express being a great place to work. That way I can attract all the best and brightest lawyers and professionals to my team.

**And finally – We must continually explore creative new ways to address diversity challenges.**

And we should be looking for ideas and inspiration beyond just the legal profession.

I read recently about Princeton University's decision to automatically extend the tenure clock a year for every child that an assistant professor – male or female – has. This helps them retain strong performers and makes them more family friendly, takes away any stigma associated with asking for part time arrangements. While this doesn't relate directly to the legal field, or even American

Express, many companies including ours, continue to think about alternative, flexible work arrangements knowing that different employees have different needs at various times during their careers.

We've also encouraged part-time work, virtual work, geographic changes and the like to make sure that our strong performers know that there are many ways to be successful at American Express.

We have made tremendous progress with our diversity efforts inside the company and have been recognized for these efforts in the external marketplace as well. In fact, last year American Express was named as a leading employer by no less than 12 business and trade publications. Half of these were diversity business publications surveying racial and ethnic minorities. The other half serves a general audience and recognized American Express for its diverse leadership.

Being recognized for our diversity efforts is great. Not for the glory, but because the visibility helps that virtuous cycle. As we get recognition, we attract more diverse candidates; as they succeed, we get further recognition; and the cycle continues.

So how diverse is the general counsel's office at American Express?

Today among our attorneys in the United States one third are women and a quarter are minorities – and our most senior lawyers in Europe and Asia are women. Several GCO women and minority "alums" have recently moved to senior positions in other areas of the Company such as technologies, compliance and the ombuds office.

We've worked hard to get a good mix of people and — critical to our success — we have a good strong pipeline.

Just as important, we have pursued a strategy where we expect law firms working on our business to approach diversity the same way we do. We track diversity statistics among the

law firms we use and we monitor who works on our matters. The importance of this hit home for me recently when two partners who worked on American Express business told me they don't think they would have made partner if we hadn't been so insistent on giving them the opportunity to work on some high-profile American Express transactions and litigation.

So – going back to striving to be a good role model and especially my desire to lead diversity efforts in the workplace. Do I think I have reached my ultimate goal?

No – but I am pleased we have made progress, and I have seen significant improvement over the years. While I feel good about this, I am not satisfied. Diversity requires focus, and there will always be more to do.

My hope is that in sharing the approach we've taken I can demonstrate and promote the positive effects diversity can have. My goal is to encourage others who find themselves as leaders in the legal profession, and frankly in other fields as well, to be role models, to drive diverse hiring practices, to develop the potential of all people in their departments, and discover for themselves the benefits this can have.

I thank you again for pursuing the answers and for continuing to build minority networks through forums like these. And I look forward to learning from all of you, as together we make the difference in building a legal profession that we can all be proud of.

Thank you.



# Upcoming Events

**FEBRUARY 10, 2007**

**Spirit of Excellence Awards**

Miami

**Commission Midyear Business Meeting**

Miami

**MARCH 29-31, 2007**

**Commission Spring Business Meeting**

Las Vegas

**APRIL 12-13, 2007**

**Spring Minority Counsel Program**

TBA

**JUNE 14-16, 2007**

**Running for Office**

Cambridge

**JUNE 27-29, 2007**

**National Conference for the Minority Lawyer**

Boston

**AUGUST 9-15, 2007**

**ABA Annual Meeting**

San Francisco

For more and updated information about upcoming events, please visit our online calendar at [www.abanet.org/minorities/events/home.html](http://www.abanet.org/minorities/events/home.html).

# GOAL IX



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*To promote full and equal participation in the legal profession by minorities*