

Gender balance reaches tipping point as large law firms heed the message

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Significant change requires hard work to design, advocate, implement and package the change across multiple levels and multiple stakeholders before success is achieved.

Large law firms can be proud of finally seeing significant change across all levels of their firms' business when looking at the numbers from this year's ECP Legal/*The Australian* law firm survey.

We have all seen the change management curve. Once acceptance and adoption of change has started, a fairly steep trajectory on the new pathway follows. I am confident that time has come, and gender balance in large law firm partnerships is on a fast track.

Most of the firms surveyed saw an increase in the percentage of female partners, and I expect that will multiply again.

A large part of ECP Legal's work involves assisting law firms to hire appropriate partners and teams to lead and develop their services. In the past five years the mantra from management has been "quality and culture first, but a female partner would be great to help achieve our gender balance targets".

What we have found is that there is a small pool of female part-

ners compared with men, particularly in transactional areas. Although laterally hiring women can be a very successful strategy, significant change needs weight of numbers, which will be underpinned by organic promotion.

Changing the gender balance in law firm partnerships has been a lot more difficult than law firm management expected it to be.

Although seemingly a no-brainer, it has taken time to get it right. What seems like a rapid-fire response to client demand for gender balance has been years in the making.

A McKinsey report, *Women in Leadership*, was released in January and looked at Australian companies and law firms.

The report demonstrated that creating the level of cultural and individual awareness and desire

for change in women's promotional success requires programs running together. (McKinsey recommends 10 in all.)

Those programs need to act throughout the whole career path of the individual woman to forge genuine change. A case in point is the recent success seen in large law firms in Australia in accelerating the pace of change through the partnership ranks.

Credit needs to be given to the Law Society of NSW and Law Council of Australia in raising awareness of the need to take action and uncover the reasons behind the lack of progression of women through to partnership during past decades.

What came out of the studies and consultation was an understanding that women and men approach things differently.

Women are less likely to put their hand up for the best opportunities. Women undersell rather than oversell their ability.

The recommendations of mentoring programs targeted at women and the male champions of change along with male and female sponsors who share their networks and opportunities in larger firms have made a huge difference to women's progression.

Large law firms have proven a holistic strategy works to keep women engaged and to assist them in building relationships resulting in promotion.

Larger firms have the advantage of scale. They can afford to put in place the infrastructure to push diversity through the firm, hire the diversity manager and implement targeted leadership coaching and mentoring.

While more solid structures are being put in place, the current reality sees the existence of a gender pay gap at partner level, particularly where the numbers of women in equity are so much lower than the number of female partners across the board. This survey shows that is the case across the board.

At the national law firm front, some firms deserve kudos. Notably, Sparke Helmore with nearly 29 per cent females in equity partnership and Maddocks with more than 23 per cent women in equity stand out for their achievements.

There is much room for improvement in the proportion of female equity partners at the Australian offices of international firms, with many of them reporting figures below 20 per cent.

Two notable exceptions are

Clyde & Co and KPMG. Clyde & Co, at more than 38 per cent, is leading the way strongly by comparison with all large law firms.

Large law generally can be satisfied that gender balance is becoming, well, more balanced.

Gilbert + Tobin, Allens, King & Wood Mallesons, DLA Piper and Norton Rose Fulbright all boast more than 25 per cent female equity partners. Many more of their large law colleagues, though, have female equity numbers below 20 per cent.

By increasing the number of female equity partners, all law firms will notice that significant cultural change will occur organically. The effect of this can be only positive for the whole profession.

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