

Diversity in Legal Services Contracts

1. In the Fiscal Year 2005-06, the Government spent £48.24 million on external legal services; that represents an increase of over 36% from FY 2003-04.
2. Considering diversity statistics when awarding contracts for legal services is an excellent way for the Government to move forward with minority-owned firms that feel aggrieved because of the Carter Review. Consequently, the Government should expand the diversity pilot schemes to include legal services contracts.
3. Large law firms often lag behind in terms of diversity. This is due to the inherent subjectivity in evaluating legal work and the emphasis on “who you know” to bring in business. Those outside the usual power circles find it difficult to compete on these terms. Methods of hiring, retention, and promotion often lack transparency and have historically disadvantaged women and ethnic minorities, who have been excluded from key social networks and have difficulty finding mentors.
4. Diversity is an important concept that helps widen Britain’s talent pool and keeps it economically competitive in the global economy. It also promotes modernisation and social justice within the profession.

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Diversity in Legal Services Contracts, continued...

5. Persuasion from clients has been the most effective method of promoting diversity in large law firms. As a major consumer of legal services, the Government provides critical support for diversity's promotion.
6. Diversity would be only one of the many factors the Government considers when assessing value for money; consequently, diversity does not call for a quota system or "tokenism."
7. Firms should be required to submit diversity statistics for both their organisation as a whole and the department/team that is directly supplying the legal service to the Government department. Such statistics should include race and gender, but firms should be allowed to submit supplemental/complimentary information in order to show their commitment to diversity.
8. This approach gives firms flexibility in how firms can meet diversity criteria; creative diversity initiatives can add value to the delivery of government services.

For more information on this subject and to find out more about the work of Diversity City, please visit www.diversitycity.org.uk or write to us at Diversity City, 456-458 The Strand, Suite 191, London, WC2R 0DZ.