



General Counsel for Diversity & Inclusion



**ROUNDTABLE
HEINEKEN
Amsterdam
31 October 2019**

WELCOME



**DONNY CHING,
LEGAL DIRECTOR
SHELL**



**RITVA SOTAMAA,
CHIEF LEGAL OFFICER
UNILEVER**





General Counsel for Diversity & Inclusion

A Statement of Support

- **WE COMMIT TO PROMOTING DIVERSITY IN THE WORKPLACE.** We value the range of perspectives, ideas and experiences that diversity provides, whether grounded in gender, race, sexual orientation, disability, cultural background, religion or age.
- **WE BELIEVE DIVERSITY AND INCLUSION CREATE A BROADER, RICHER ENVIRONMENT** that enhances creative thinking, innovation and problem solving, which adds value to our organisations. We believe that inclusive organisations attract and retain top talent.
- **WE WILL THEREFORE ENCOURAGE GREATER DIVERSITY AND INCLUSION** in our own businesses and co-operate to foster these same values throughout the legal profession and the broader business community.
- **WE UNDERTAKE TO PRACTICE AND ADVANCE DIVERSITY AND INCLUSION BY:**
 - Promoting diversity and inclusion within our own teams;
 - Considering diversity and inclusion in our hiring and purchasing practices;
 - Encouraging and partnering with our law firms to adopt best practices in diversity and inclusion; and
- **WE, AS ADVOCATES FOR DIVERSITY AND INCLUSION,** will promote diversity initiatives at all levels in the legal and business community.



WELCOME

Agenda

09.30 am Introduction & Housekeeping

09:40 am Discussions of in house best practice

10.30 am Discussions of how we engage with law firms

11.15 am Conclusions

11.40 am Next Steps

11.45 am Break

IN HOUSE BEST PRACTICE



Caroline Omloo, Shell
Catherine Stromdale, Unilever
Results produced in conjunction with Symmetra

IN HOUSE BEST PRACTICE

- 1. Purpose**
- 2. What have we done and what's next?**
- 3. Overview of Survey Results**
- 4. Case Study – Good or Best? Practices shared by you**
- 5. Panel Discussion/Q&A**

1. PURPOSE

To identify and collect best practices for in house legal teams which help establish a culture where diversity is cherished and inclusion the norm; and

To build a “data base” of materials to support in house legal teams on this journey

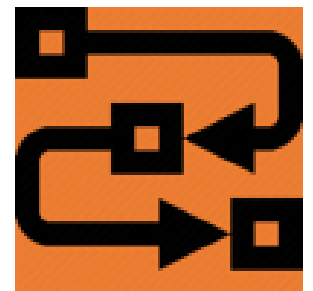


2. WHAT HAVE WE DONE AND WHAT IS NEXT?

Launched a survey amongst in house legal departments to self-assess the maturity of their D&I journey and benchmark this against peers, with results presented today

Continue gathering information on best practices, useful website links and publish these on the GC for D&I Initiative website for use by in house legal departments

Seek your views and input on how and what more we can do to help you moving forward





Global Diversity & Inclusion Benchmarks™

Collective General Counsel Results – October 2019

Draft - Confidential

Symmetra®

A Competitive Advantage

Inclusive leadership has evolved from a 'nice to have' approach for working with diverse employees, into a definitive capability that separates high performing teams and companies from the average.

Comprehensive and Practical

Based on best practice human centred learning and 70:20:10 principles, our blended approach is designed to give individuals the insight and the tools to build their own and others' inclusiveness.

Win/Win

Our Inclusion and Unconscious Bias Programs are both a developmental opportunity for leaders as well as an initiative that will embed an inclusive culture and optimise business performance.

www.symmetra.com.au



Heather Price

CEO



Lisa Skovron

Managing Principal

To assess
current state of D&I
for all signatories against
global benchmarks
and diagnose
**strengths and
development areas**

OUTCOMES

- Highlight strengths and priority development areas
- Share examples of excellence
- Inform collective future focus for all signatories

Respondent profile

Signatories

n = 36



Gender



n = 840

58% Female

42% Male

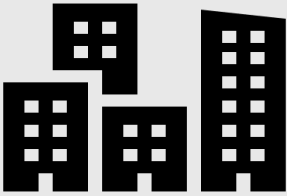
Legal Department Size



33.9%
Small
(0 to 150)



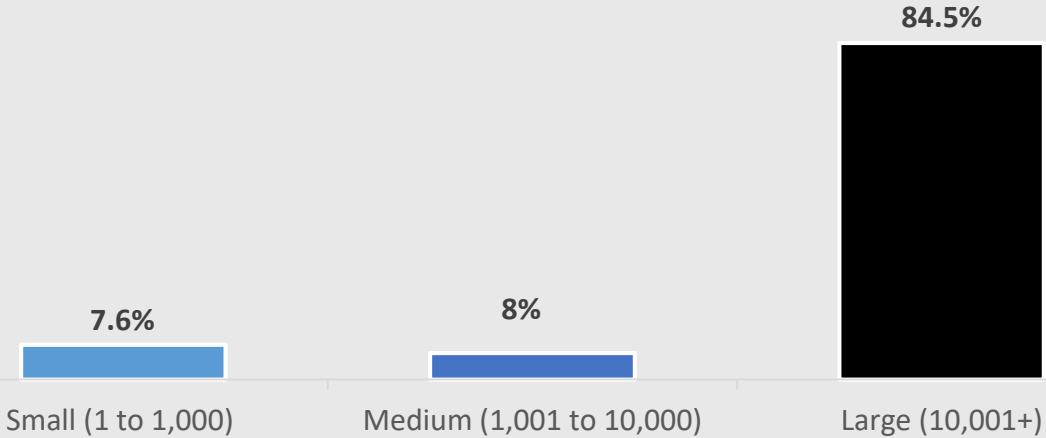
23.6%
Medium
(150 to 400)



42.5%
Large
(401+)

n = 868

Organisation Size (employee no.)



n = 868

Respondent profile

n = 868

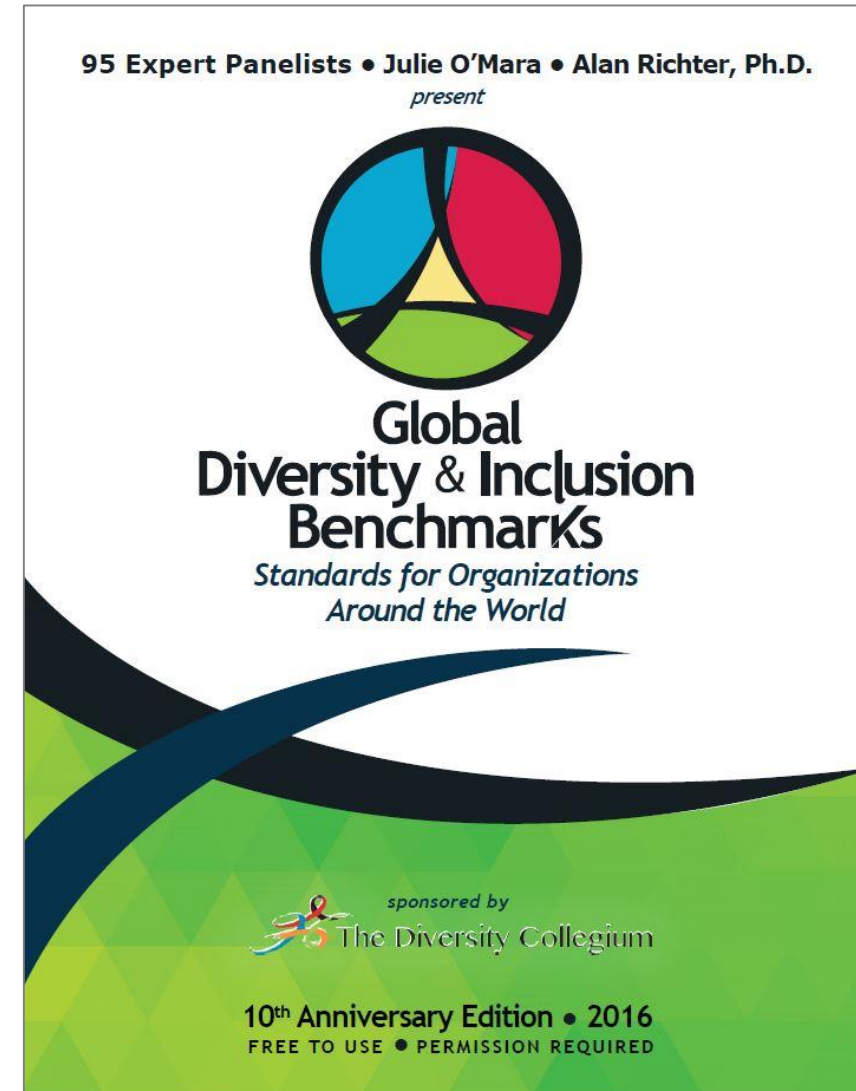
Sector	%
Resources, Energy & Industrials	45.4%
Insurance & Superannuation	13.8%
Manufacturing, Transport & Logistics	8.3%
Government and Public Services	5.9%
Information, Communication & Technology	5.1%
Banking & Financial Services	3.8%
Professional, Scientific & Technical Services	3.5%
Consumer Goods	3.3%
Engineering	3.2%
Transport, Logistics, Postal & Warehousing	2.3%
Science and Technology	1.7%
Healthcare & Medical	1.6%
Other	2.0%

n = 868

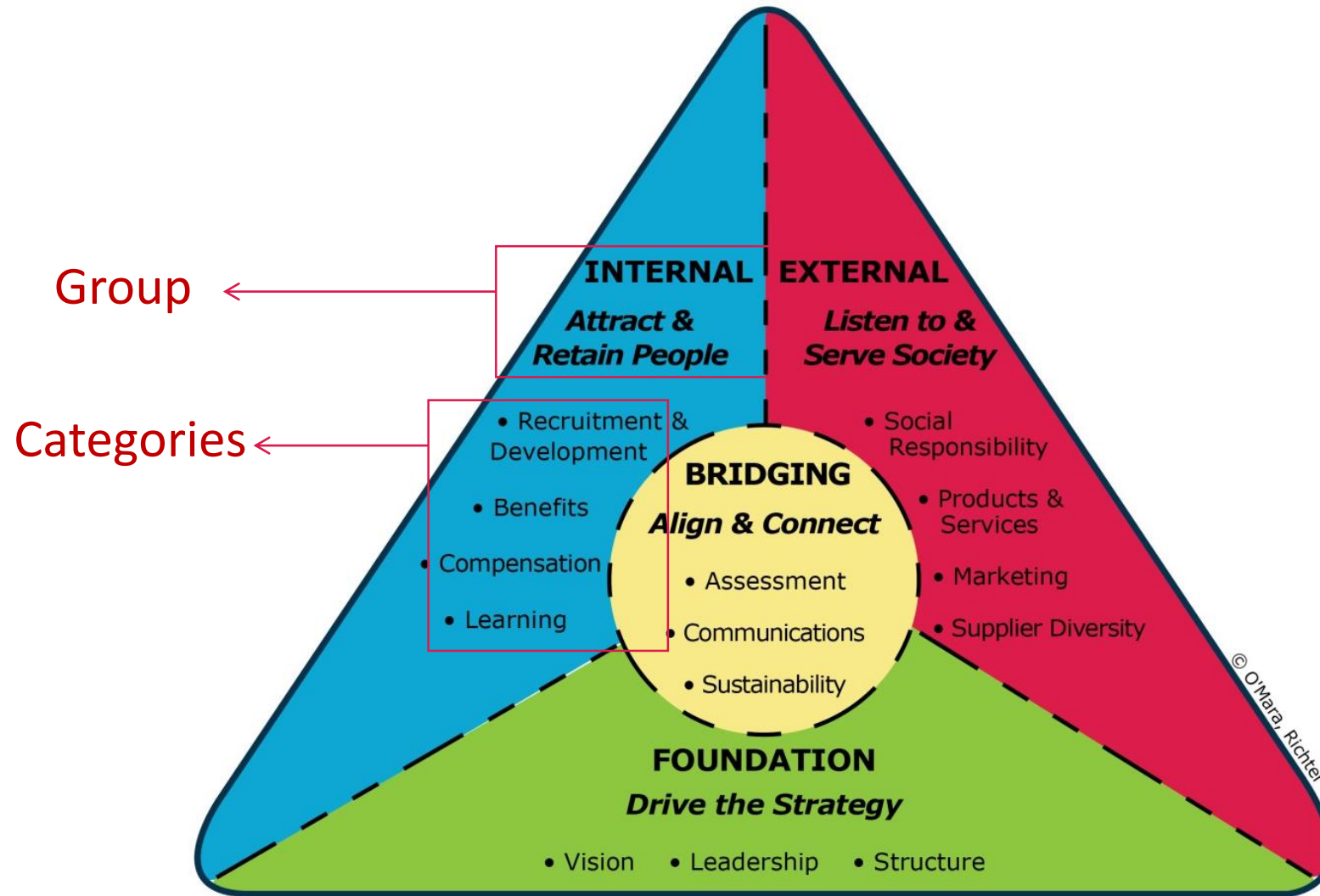
Region	%
Europe	46.4%
North America	19.0%
Asia and the Pacific	13.1%
Global	7.7%
Latin America and the Caribbean	5.5%
I prefer not to say	2.8%
Africa	2.1%
Other (please specify)	1.7%
Middle East	1.4%

The Global Diversity and Inclusion Benchmark™

GDIB helps organisations realize the depth, breadth and integrated scope of D&I practices, access current state of D&I, determine strategy, and measure progress in managing diversity and fostering inclusion



The GDIB™ Model



Global Diversity & Inclusion Benchmarks

The 5 Levels

Level 5: Best Practice

- Demonstrating current best practices in D&I; exemplary for other organizations globally.

Level 4: Progressive

- Implementing D&I systemically; showing improved results and outcomes.

Level 3: Proactive

- A clear awareness of the value of D&I; starting to implement D&I systemically

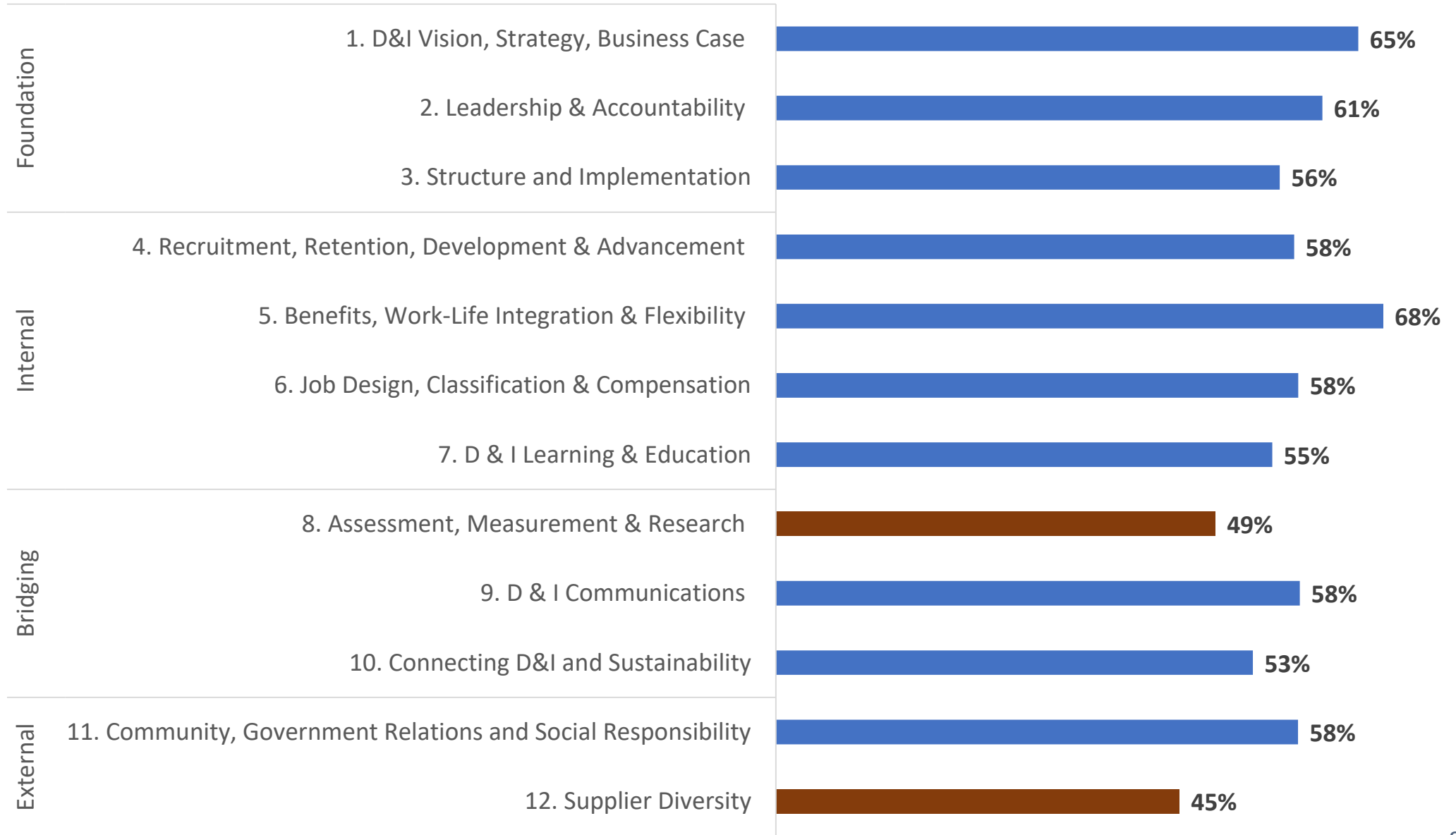
Level 2: Reactive

- A compliance mindset; actions are taken primarily to comply with relevant laws and social pressures.

Level 1: Inactive

- No D&I work has begun; diversity and a culture of inclusion are not part of organizational goals.

Consolidated results



n = 835-868

Consolidated results by Gender



Inactive



Reactive



Proactive



Progressive




Best Practice

Category Labels		Consolidated results	Female	Male
Foundation	1. D&I Vision, Strategy, Business Case	65%	61%	71%
	2. Leadership & Accountability	61%	58%	65%
	3. Structure and Implementation	56%	53%	60%
Internal	4. Recruitment, Retention, Development & Advancement	58%	54%	63%
	5. Benefits, Work-Life Integration & Flexibility	68%	65%	72%
	6. Job Design, Classification & Compensation	58%	55%	63%
	7. D&I Learning & Education	55%	52%	60%
Bridging	8. Assessment, Measurement & Research	49%	45%	54%
	9. D&I Communications	58%	55%	63%
	10. Connecting D&I and Sustainability	53%	49%	58%
External	11. Community, Government Relations and Social Responsibility	58%	54%	64%
	12. Supplier Diversity	45%	42%	49%

Consolidated results by Size of Legal Department

 Inactive

 Reactive

 Proactive

 Progressive

 Best Practice

Category Labels		Consolidated results	Large (401+)	Medium (150-400)	Small (0 to 150)
Foundation	1. D&I Vision, Strategy, Business Case	65%	69%	59%	63%
	2. Leadership & Accountability	61%	63%	55%	62%
	3. Structure and Implementation	56%	61%	50%	55%
Internal	4. Recruitment, Retention, Development & Advancement	58%	60%	54%	57%
	5. Benefits, Work-Life Integration & Flexibility	68%	69%	67%	66%
	6. Job Design, Classification & Compensation	58%	61%	54%	57%
	7. D&I Learning & Education	55%	61%	49%	53%
Bridging	8. Assessment, Measurement & Research	49%	52%	44%	49%
	9. D&I Communications	58%	62%	54%	56%
	10. Connecting D&I and Sustainability	53%	54%	50%	54%
External	11. Community, Government Relations and Social Responsibility	58%	61%	57%	56%
	12. Supplier Diversity	45%	50%	38%	44%

Consolidated results by Organisation Size

(based on number of employees)

■ Inactive
 ■ Reactive
 ■ Proactive
 ■ Progressive
 ■ Best Practice

Category Labels		Consolidated results	Large (10,001+)	Medium (1,001 to 10,000)	Small (1 to 1,000)
Foundation	1. D&I Vision, Strategy, Business Case	65%	65%	62%	69%
	2. Leadership & Accountability	61%	60%	61%	64%
	3. Structure and Implementation	56%	56%	55%	61%
Internal	4. Recruitment, Retention, Development & Advancement	58%	57%	57%	63%
	5. Benefits, Work-Life Integration & Flexibility	68%	68%	67%	68%
	6. Job Design, Classification & Compensation	58%	58%	59%	63%
	7. D&I Learning & Education	55%	55%	51%	61%
Bridging	8. Assessment, Measurement & Research	49%	48%	48%	55%
	9. D&I Communications	58%	58%	58%	61%
	10. Connecting D&I and Sustainability	53%	52%	57%	60%
External	11. Community, Government Relations and Social Responsibility	58%	58%	56%	60%
	12. Supplier Diversity	45%	45%	42%	52%

IN HOUSE BEST PRACTICE



CASE STUDY

CASE STUDY: good or best practice

Flexible/agile working

Procurement
practices

(Procure from
disability-friendly
companies, minority
groups and gender
balanced law firms)

Training
for the
business on
D&I

D&I as key
value and
target
(From the BOD
down)

COMMON BEHAVIOURS AND ACTIONS FROM RESPONDENTS

Unconscious
bias
awareness
(Recruitment
and promotions)

Support for
female
employees

Maternity and
paternity leave
(Extended and globally
applicable)

Recruitment

(Diversity in
candidates and
in interview
panels)

D&I leaders
and
networks

Encourage
female
working/
LGBT where
culturally
difficult

Ambition for gender
equality
(Women/mothers in management
positions)

PANEL – In House Best Practice



Donny Ching, Shell
Ritva Sotamaa, Unilever
Caroline Omloo, Shell
Catherine Stromdale, Unilever

ENGAGING WITH LAW FIRMS



Cecilia Ferreira, AngloAmerican
Vincent Cordo, Shell
Hayley Fothergill, Acritas
Paul Gallup, BHP

BACKGROUND

THE PURPOSE

- Understand law firms' D&I status, policies and focus areas
- Understand law firms' current strategies, what we can learn from them, areas for improvement and steps we can take to working together
- Collaborate with law firms across Europe to **establish a best practice D&I policy** which increases diversity and inclusion in the legal community

THE GOAL

- Survey law firms to understand current strategies
- Utilise information to build a future framework for in-house counsel to use that includes:
 - D&I policy
 - Guidance
 - Resourcing
 - KPIs
 - Access to SMEs; and
 - Access to external HR talent management
 - Inclusivity for all

SURVEY RESULTS

OVERVIEW

Acritas conducted 14 qualitative interviews

- ✓ Interviewed D&I experts in law firms
- ✓ What would they welcome from GCs
- ✓ What they see as the most effective D&I initiatives
- ✓ Which D&I initiatives are more challenging to report on or use as a barometer of progress

HEADLINE FINDINGS

- Cover all types of diversity, but limit reporting to gender
- Mutual commitment and cooperation needed to increase diversity
- Clients are a powerful lever for change
- It starts with a conversation
- There needs to be a baseline of must-have metrics, and consistency in required metrics
- Find a way to reduce the burden on firms

WE ARE IN THIS TOGETHER (TRULY TWO WAY CONVERSATION)

Demonstrate mutual commitment to improving diversity

- Firms are at various stages of sophistication and all agree that clients play a key role in challenging firms – Firms want to work with clients to solve the problem
- However, some scepticism exists:
 - Does the level of effort or success in D&I really influence how work is allocated?
 - Most of the time, perception that clients prefer the A team. Diversity is secondary
 - Law firms also see in-house legal departments themselves are not diverse
- **How can law firms and in-house teams collaborate better around D&I?**
 - Work collectively to reach out to groups under-represented in the industry?
 - Can clients help firms to bring people back from parental leave?



THERE SHOULD BE CONSISTENT METRICS

In order to hold firms accountable and measure progress, but reducing current burden

- Firms already have to comply with industry reporting on D&I – align reporting requests as much as possible to match what teams have already compiled
- Keep reporting to a high-level: what does D&I look like a firm-wide level, rather than on specific matters (which risks exposing sensitive characteristics)
- Suggested metrics:
 - Headcount breakdown – leadership and partners
 - Hours breakdown on matters
 - Value breakdown on matters
- **Origination Credit? Apply pressure in the right way**
- **Gender pay gap for partners? Focus on legal staff as looking at all staff affects figure**



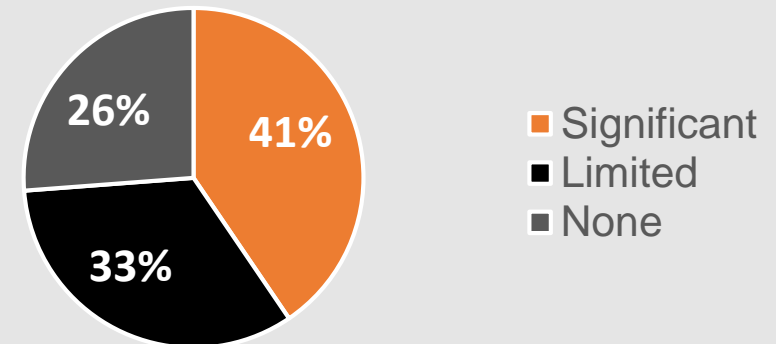
BUY IN 'DIVERSITY FRIENDLY' WAYS

Firms feel clients are the most powerful lever for change

- Many firms are signing up to the Mindful Business Charter – how to work and collaborate together to reduce unnecessary stress in the legal industry:
 - Agree service standards – for example, traffic light system with associated response times. Avoid last minute requests if possible
 - Accommodate part-time or flex workers and agree working team schedule at outset
 - Consider tracking where work goes to – are you awarding work in a representative way?
 - Have you investigated how compensation systems work at your firms?

Thomson Reuters and Acritas' Transforming Women's Leadership in Law (TWLL) survey

To what extent has client pressure in relation to gender diversity helped to generate more momentum?



WHERE ARE TODAY'S GAPS?

- What are we not doing?
- What actions can be achieved?
- What else do we need to learn from firms to improve our approach?

WHAT ARE FIRMS DOING ABOUT IT?

Thomson Reuters and Acritas' TWLL Research asked law firms about 45 diversity levers

The average firm had 25 levers in place at their firm and were piloting another 8



the answer company™

THOMSON REUTERS®

Acritas

MOST AND LEAST USED INITIATIVES

Most used >85% of firms have in place

1. Genuinely consider part-time working requests
2. Flexible and/or agile working
3. Partnership promotion criteria do not disadvantage part-time lawyers (normalised)
4. Diversity is a stated strategic priority
5. Deal with bad behaviours

Least used <15% of firms have in place

1. Blind or objective work allocation
2. We blind or semi-blind CVs
3. Reverse mentorships

Most popular 'in pilot' initiatives

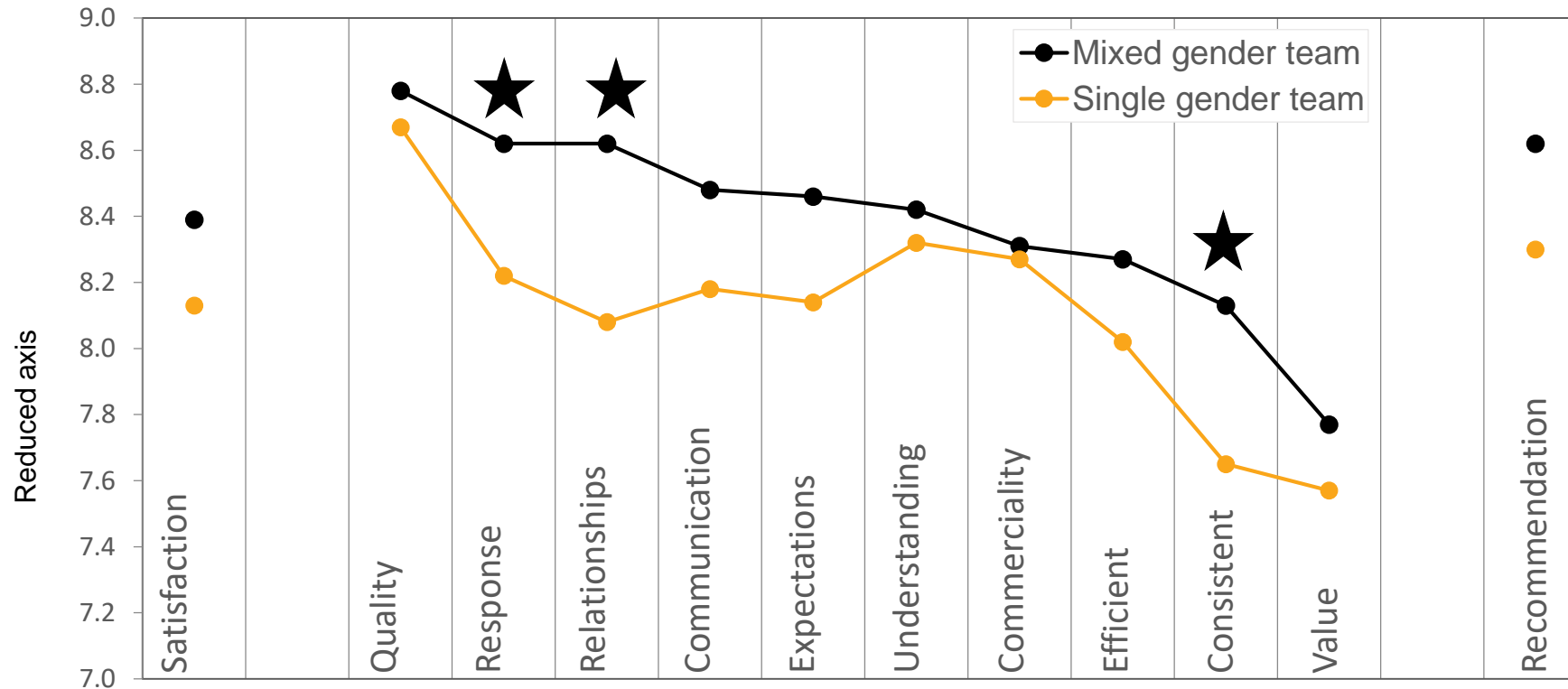
1. Mentors (40%)
2. Gender balanced matter teams (39%)
3. Gender balanced assessment teams on recruitment (34%)

THE MOST EFFECTIVE LEVERS – COMPARING CONSCIOUS RESPONSES AND WHAT THE STATS REVEAL

- Conscious responses – what do law firms say is working?
 - Flexible working and more focus on work-life balance
 - Tone from the top
 - Clear and transparent career paths and job descriptions
 - Positive female role models
- Which levers statistically correlate with higher retention?
 - ✓ Gender balanced matter teams
 - ✓ Gender balanced RFPs
 - ✓ Leadership reinforces gender diversity as priority
 - ✓ Board-level representative for diversity
 - ✓ Track and analyse gender diversity data
 - ✓ Analyse gender diversity data by practice
 - ✓ Take strong stance dealing with behaviours contrary to diversity & inclusion policies/goals
 - ✓ Blind or semi-blind CVs to disguise gender

SUPERIOR PERFORMANCE ON KPIS

Clients rating external law firms: Single gender v mixed gender team



Acritas' Sharplegal study asked 1000 GCs globally to rate one of the firms they use across a series of service-related factors

A firm's performance does not differ on the gender of a client's lead contact, but firms are rated higher where the team is gender diverse

Client satisfaction is statistically significantly higher on speed of response, strength of relationship and consistency

RECOMMENDATIONS FOR ACTION

Firms feel clients are the most powerful lever for change

1. Include all aspects of diversity, but limit reporting to gender
2. Report back on law firm diversity metrics (i.e. what you are looking for from firms) and show impact on work allocation
3. Legal departments agree to same frameworks and report on same D&I metrics as law firms
4. Hold annual discussion with firms to discuss approaches and share successes and failures
5. Consider funding joint initiatives to target specific groups
6. Create guide of 'must have' and 'recommended' diversity initiatives
7. Ask firms to report on both types of initiatives – this can help identify firms that are really excelling
8. Request metrics at overall firm level once a year and across matters twice per year
9. Align reporting requests with existing standard lists (SRA or Diversity Model Survey or Stonewall Index)
10. Commit to the Mindful Business Charter

NEXT STEPS

Building on our research

- Broader survey launching in November to quantify findings from in-depth interview stage
- Output will be a short D&I policy document containing:
 - A set of key principles and objectives
 - KPIs that in house teams would expect the law firms they hire to adhere to and work towards (as applicable), potentially including:
 - Gender ratio, and/or
 - Talent development by protected characteristic

OVERALL AMBITIONS:

1. Automate reporting
2. Governance program
3. Awards for firms and standardise rating

ENGAGING WITH LAW FIRMS



CASE STUDY: a BHP/HSF success story

ENGAGING WITH LAW FIRMS




PANEL – Engaging with Law Firms



Donny Ching, Shell
Ritva Sotamaa, Unilever
Cecilia Ferreira, AngloAmerican
Vincent Cordo, Shell
Hayley Fothergill, Acritas

CONCLUSION AND Q&A



Donny Ching, Shell
Rosemary Martin, Vodafone
Ritva Sotamaa, Unilever

NEXT STEPS



Kim Frampton, Vodafone

<https://www.gcdandi.com/>



General Counsel for Diversity & Inclusion



THANK YOU!