

SPECIAL REPORT Diversity Scorecard

# Women still seeking parity

For 12 years, Linda Leali worked in the Miami office of White & Case, toiling long hours as a senior associate in the firm's global financial restructuring and insolvency department.

Leali represented top clients like WCI Communities Inc., a developer with \$2 billion in debt; Recticel S.A., a manufacturer of synthetic compounds; and Appaloosa Management L.P., one of the largest

shareholders of Delphi Corp. She was a key member of the legal team in the Chapter 11 reorganization of Mirant Corp., the largest bankruptcy filing in the U.S. in 2003.

Leali, a magna cum laude graduate of the University of Miami School of Law, also made sure to stay active in the community, serving on the board of the Miami-Dade

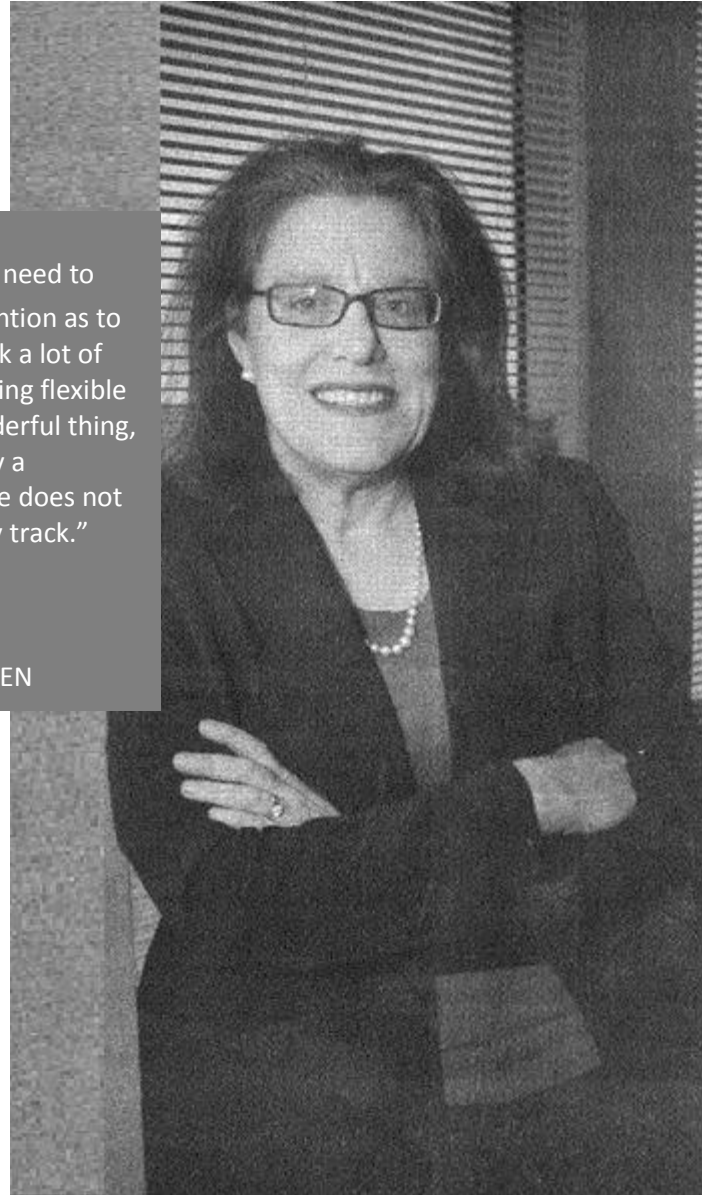
chapter of the Florida Association for Women Lawyers, Legal Services of Greater Miami, Southeastern Division Children's Home Society as well as vice chair of an American Bar Association committee.

When Leali was not promoted to partner this year, she decided it was time to hang out her own shingle. She recently joined forces with a friend to form Alderman & Leali in Miami Shores. It is not surprising that Leali left White & Case to advance her career since only one woman has ever made partner in the 25-year history of the firm's Miami office.

"I'm leaving for a better opportunity," Leali said. "While the firm's women initiative has always been supportive, over the years I have had to look outside the firm in the local community for some role models and mentors. Those mentors and role models led me to conclude that my best chance for both professional and personal success was to venture out with my new law partner."

“What all of this highlights is we need to work harder at getting men’s attention as to supporting women lawyers. I think a lot of firms have made progress in creating flexible work schedules, and that’s a wonderful thing, but it needs to be accompanied by a recognition that a flexible schedule does not put you on the proverbial mommy track.”

LAURA WENDELL  
 PRESIDENT  
 FLORIDA ASSOCIATION FOR WOMEN



Chris Hansen, White & Case's Miami managing partner, did not respond to requests for comment. A firm spokesman in New York issued a statement saying the firm is "committed to the success of our women lawyers around the world and their advancement into positions of Firm leadership. As a global law firm, our new partner class is assessed on a global basis; 18 percent of our new partners for 2013 are women. While we still have more to accomplish, we have made progress since we established our Global Women's Initiative in 2009." Leali is not an anomaly. Increasingly, women, frustrated by unequal pay and opportunity for partnership, are leaving Big Law, taking their chances with smaller firms or by going solo.

## Earning Less

The issue is not new.

Women have been grappling with the challenge of succeeding at law firms for decades. While many firms have taken steps to address women's concerns about balancing their work with parenthood by offering flex-time, the conversation now appears to have shifted to money — equal pay, equity partnerships and training to develop that crucial book of business. Increasingly, the focus is on whether big firms have women on key executive and compensation committees and why there are so few female managing partners.

At a recent international law conference in Miami Beach, a panel of top managing partners, all male, conceded law firms are not doing enough to promote and retain female lawyers. While the law firm leaders noted they offer flex-time to women, two female lawyers in the audience raised their hands and declared they are more concerned with other issues these days.

"It's all about money and business development," said Peggy Kubicz-Hall of Minneapolis-based Greene Espel. "You have to think about who the second is on your project. Ultimately, it's a business, and for women to get ahead they have to have clients."

Of particular concern to many women, including members of the Florida Association for Women Lawyers, are several recent studies showing female lawyers are earning less and making partner at lower rates than their male counterparts, both in Florida and nationally.

According to a 2010 Florida Bar survey, the median salary of women lawyers in Florida is \$70,000 while that of male lawyers is \$120,000. More simply, women earn 59 cents for every dollar earned by male counterparts. The U.S. Bureau of Labor Statistics reports a smaller gender disparity for lawyers, with women earning 86.6 percent of men.

A study of the nation's 200 largest firms conducted by the National Association of Women Lawyers and the NAWL Foundation using data provided by law firms showed women equity partners earned 86 percent of their male counterparts.

A recent survey by legal search consultants Major, Lindsey & Africa of partners at Am Law 200, NLJ 350 and American Lawyer Global 100 firms also shows women partners lagging substantially behind their male



Linda Leali  
Photo by A.M. Holt

counterparts. Not only are women partners making less than men, but the gap widened from 2010 to 2011. The income gap grew by 46 percent, with male partners' earnings increasing 8 percent while women's decreased 3 percent in the same period.

The NAWL and Major Lindsey studies illustrate that even when women attorneys work in a similar environment, such as large law firms, and become partners, they still are not paid the same as men.

## Pay Transparency

"What all of this highlights is we need to work harder at getting men's attention as to supporting women lawyers," FAWL president Laura Wendell said. "I think a lot of firms have made progress in creating flexible work schedules, and that's a wonderful thing, but it needs to be accompanied by a recognition that a flexible schedule does not put you on the proverbial mommy track."

The recent studies have proven somewhat shocking to veteran women lawyers who thought there would be gender parity by now, Wendell added.

"I think women are perceived as not being good at generating business," she said. "It would be helpful for women attorneys to have more mentoring and guidance from successful rainmakers, and that is typically men."

Key to the problem, said Patricia Ireland, a partner at Miami-based Phillips Richard & Rind and former president of the National Organization for Women, is a lack of transparency about compensation at law firms. When law firms have a closed compensation system, women have no way of knowing if there is pay equity, she said.

"The biggest issue for women is transparency," said Ireland. "Law firms — all companies — are loathe to have people talk about their salaries. They actively discourage it."

Greenberg Traurig has a closed compensation system. However, two top female partners there say they are fine with that.

Kara MacCullough, a Fort Lauderdale shareholder, previously worked at law firms with open compensation systems, including Holland & Knight and Akerman Senterfitt. Yet she wasn't comfortable fighting for additional money and didn't fully understand her worth in the marketplace at the time.

"I suffered in silence, like a lot of women," she said.

But now, MacCullough said she knows what she is worth and is confident she is being paid fairly.

"In the past, I did have concerns about a closed compensation system," she said. "But in connection with my decision to join Greenberg, I decided that I was willing to give up a certain level of knowledge in exchange for the benefits of a closed compensation system. Based on my experience and calls that I receive from headhunters, I know what I'm worth."

Hilarie Bass, Greenberg Traurig's global operating shareholder and head of its 600-member litigation department, is one of two women sitting on the firm's executive committee. She said she has no issue with the law firm's closed system and is confident she is being paid fairly.

"We know we are being compensated fairly because we know what our value is in the marketplace. We have highly talented people who can go to any firm they want if they did not feel they were being fairly compensated," she said.

"One of the reasons I came to Greenberg as a summer associate was because there were women partners," she added. "That gave me a high level of comfort that women could succeed in this environment. That was 30 years ago and I, like many other women, have worked our way up to leadership positions in the firm."

## Discrimination Suit

But a former female Greenberg Traurig partner in Philadelphia recently filed a \$200 million lawsuit against the firm, claiming systemic gender and pay discrimination at the firm. Francine Friedman Griesing is seeking class action status for the federal lawsuit and also filed a U.S. Equal Employment Opportunity Commission complaint alleging unequal treatment of male and female attorneys.

Greenberg Traurig categorically denies the allegations. Still, no Big Law firm has anywhere near equal numbers of male and female equity partners, and only a handful of women have made it to the ranks of managing partner.

Greenberg Traurig, for example, has 181 female and 731 male partners; Holland & Knight has 109 female partners and 429 male; and Akerman Senterfitt has 36 female shareholders in South Florida and 102 male. Akerman does not have firmwide figures.

Tracy Nichols, an equity shareholder at Holland & Knight for 18 years, tried out five practice areas before settling on one she determined would be the most family-friendly, requiring little travel or court time. The firm did not have a securities practice at the time, but Nichols wrote up a plan to start one during her first maternity leave. Another female partner joined, and the two wound up taking turns with their pregnancy leave. Nichols now has two boys ages 16 and 18.

"When I was on maternity leave I knew I was going to have to cut back," Nichols said. "Part of being successful is being comfortable with saying no and being comfortable turning down opportunities and getting out of the lockstep that everyone else has followed."

But Nichols, who previously worked in marketing, also knew how to woo clients, including taking time to attend conferences, lunches and dinners. She once did a PowerPoint client pitch in Dr. Seuss rhyme after finding out the CEO was a fan of the children's author. She landed the client.

## Relationship Management

Unlike Nichols, MacCullough has a mergers and acquisitions practice that potentially requires 24/7 client meetings, representing some of the top corporations in South Florida, including Burger King Worldwide Inc., SBA Communications Inc. and Ryder System Inc. To coordinate her work schedule with parenting 9- and 5-year-olds, MacCullough has a team to help her, including an associate assigned to her.

MacCullough also has become friends with clients, so she doesn't mind dropping everything to meet them for drinks or having them come to her house after she puts her kids to bed to finish a deal.

"I came from banking, where I received lots of training and classes on how to relationship-manage," she said. "Law firms in general need to get better at teaching lawyers, especially young lawyers, these skills. This is where women's initiatives and similar programs can help, particularly junior women lawyers."

Alexandra Bach Lagos, a seventh-year associate at Shook Hardy & Bacon, is intent on making partner. The former president of the Miami chapter of FAWL decided to stay on full-time after becoming a mother last year, acknowledging she has considerable family help.

"I think it's wonderful that firms offer flex-time, but the reality of a litigation practice, especially when you're trying to build a book of practice, is it's difficult to do," Lagos said. "I did not feel it was a good fit for me. I think it would make for a longer road to partner."

Mary Carroll, national chair of Akerman Senterfitt's corporate practice group, also advises women to eschew flex-time arrangements.

"I think it's a surefire way for a woman to derail her career," Carroll said. "You are never going to get great assignments taking Fridays off. Clients need me 24-7. "That doesn't mean employees can't work remotely," added Carroll, the mother of a 9-year-old.

## Big Law Struggles

Some women have chosen to hang their own shingles or work at small law firms rather than battle it out for equality at larger firms.

Detra Shaw-Wilder is one of those women. She began her career at Kozyak Tropin & Throckmorton rather than a big law firm, even though when she told her fellow students about her new job they asked, "Who?" She also was dealing with a father in the early stages of Alzheimer's disease and wanted more flexibility on the job.

"I have spoken to women lawyers at big firms, and they have shared some of the struggles they've been through," she said. "Some made the choice to leave the law firm; some decided to stick it out and make it work for them. But I don't want to work 2,400 hours a year to prove myself. I think those numbers are concerning."

A group of female lawyers frustrated over their inability to make equity partner and receive equal pay at their former law firm decided to open their own. Miami-based Diaz Briscoe Medina, 100 percent women-owned, specializes in insurance defense and maritime law.

Bass, of Greenberg Traurig, acknowledges Big Law can be a tough place to thrive.

"Big Law is not for everyone, male or female," she said. "There is a significant percentage of associates who opt out and make other practice choices, whether it is going in-house, going to boutiques or other practice settings. Some are motivated by fear of failure, some want more control over their time, some don't want to work as hard. The question for me is are there equal opportunities available for women who choose to stay in Big Law. I believe there are."