Mapping advantages and disadvantages: Diversity in the legal profession in England and Wales

Research report

October 2017

<u>Download the report (PDF 67 pages, 1.9MB)</u>. [https://indemnity.sra.org.uk/globalassets/documents/sra/research/diversity-legal-profession.pdf]

See our regulatory response to the report [#response]

See our infographic - Diversity in the legal profession 1970 to 2016 [#infograph]

Summary

We commissioned independent quantitative research on solicitor career progression and how it is influenced by gender and ethnicity. The work, conducted by the University of Leeds and Newcastle University Business School, used our data from 1970 to 2016 to undertake a statistical analysis of how solicitors' careers have progressed since admission to the Roll.

Why we commissioned the analysis?

A strong and diverse profession is in everyone's interests. However, there is limited statistical analyses about how career progression is influenced by diversity characteristics. We considered that innovative statistical techniques could provide deeper insight, and show how the legal profession has changed. We also wanted to find out how social characteristics associated with advantage and disadvantage affect career progression in the legal profession.

What did the researchers do?

The research was based on an analysis of 194,019 solicitors admitted to the Roll between 1970 and 2016 and who remained registered between 2006 and 2016¹[#note1].

What did the analysis find?

Changes in the profession

- There has been a large increase in female new entrants the proportion of women has increased from less than 10 percent of all new admissions to the Roll in 1970 to over 60 percent in 2016.
- An increase in new admissions by Black, Asian and Minority Ethnic (BAME) solicitors
 particularly over the last ten years, although this is not evenly distributed.
- New admissions by Asian solicitors have been double that of all other BAME groups since the mid-1970s, increasing to two-thirds in the last three years. In 2016, Asian solicitors accounted for 19 percent of all new admissions.

Different career types

- The researchers identified four broad career types high street providers, city lawyers, corporate fast track and in-house. Each of these types were considered to reflect differing career prospects and differing gender and ethnic characteristics within identified firm profiles.
- The analysis explored how gender and ethnicity impacts individuals' prospects of becoming a partner and the type of firm where they would be employed.
- There is an increasing share of solicitors leaving private practice to work in-house. This trend is more pronounced among white females and BAME female solicitors moving in-house, particularly those of Asian origin.

Career progression

- Partnership remains male dominated, only one third of partners are female. The prospects of becoming a partner are higher for white males than any other group across all types of firms. This independent analysis showed the probability of becoming a partner for white males is almost 75 percent compared to 13 percent for BAME females.
- High-street firms give BAME males, white females, and BAME females the greatest opportunities to become a partner. The average probability of progression to partner for these groups being 35 percent, 33 percent and 30 percent respectively.
- Overall, given that large corporate firms account for nearly 70 percent of the partner population, and that the probability of becoming a partner in other firms is also not that high, females, and BAME females especially, appear disadvantaged when it comes to career progression in the solicitors' profession.

What we will do with these findings

We will use this independent report, in conjunction with our <u>diversity toolkit</u> [https://indemnity.sra.org.uk/solicitors/resources-archived/diversity-toolkit/law-firm-diversity-tool-2/] (the latest data will be released early next year) to provide evidence that can help the legal profession review their approach to recruitment, retention and progression.

We have published this research alongside a qualitative thematic review of how law firms are working to improve diversity in the profession. That report includes case studies and some good practice tips.

Read the report - Unlocking the benefits of diversity [https://indemnity.sra.org.uk/sra/how-wework/archive/reports/unlocking-benefits-diversity/]

We will continue our work to create an independent, strong, diverse and effective profession, reflecting the communities it serves. A diverse profession is a more competitive one which provides better choice and supports access for people seeking legal services.

Notes

1. Records of solicitors who left the profession before 2006 are not reliable as some key information is missing from the dataset. However, even with this partial representation, this is still the most accurate picture of diversity and career progression over a long-time span.

Regulatory response to the findings of the 'Mapping advantages and disadvantages: Diversity in the legal profession in England and Wales' report

We commissioned independent quantitative research on solicitor career progression and how it is influenced by gender and ethnicity. The work, conducted by the University of Leeds and Newcastle University Business School, involved using our data on a large scale to provide a statistical analysis of how solicitors' careers have progressed since admission to the Roll.

Our response to the findings

A diverse and inclusive profession benefits both legal providers and those who use legal services. It means that the profession can attract the best people, regardless of background. There is some evidence that diverse firms can benefit from a 'diversity dividend'. Firms reflecting the communities they serve may also help improve access to legal services.

We know that progress has been made and diversity is improving. Yet it is well established that the legal sector, like many others, still has a way to go to improve representation of certain groups entering the profession, as well as their progression to senior roles.

We make the following observations about the findings:

Changes in the profession

• The increase in the number of female entrants to the profession is encouraging but the analysis found that partner status remains male dominated, particularly in the large

corporate firms.

- The overall increase in the number of Black, Asian and Minority (BAME) entrants is positive, but black people are under-represented.
- The finding that "the share of BAME males becoming a partner, especially those of Asian origin has increased significantly" may be due to a high number of BAME males setting up their own firms as sole practitioners or working in small firms. This is, in part, because it remains challenging for BAME solicitors to gain partner status in larger corporate firms.

Our diversity toolkit shows that larger firms have the lowest proportion of BAME partners, Asian partners make up just 4 percent compared with 16 percent in smaller firms. Black solicitors represent only 1 percent of partners in large firms.

Different career types

The report indicates a trend of female solicitors leaving private practice to work in-house.
 When coupled with the fact they are more likely to work in lower paid areas of work, such as family and immigration law, it means that women may be disadvantaged when it comes to salaries and less likely to rise to the level of partner.

Career progression

- BAME females are especially disadvantaged in terms of career progression and reaching partnership in larger firms. This disadvantage is of concern and we will highlight this issue through our work and engagement with the profession.
- Nearly half of all solicitors admitted to the Roll since 2006 have worked only for central London based firms for their entire career. This definition may imply these are large corporate city firms, however we recognise that this group also includes small firms and sole practices.
- The report shows that sole practitioners work across a range of legal services with some
 offering high-street services but many others offering boutique and specialist services. The
 report does not specifically model the diversity and career progression of sole practitioners
 as a distinct firm type. As they make up of a quarter of the whole profession, we are likely
 to want to explore the diversity of sole practitioners more closely when we publish this
 year's diversity toolkit [https://indemnity.sra.org.uk/solicitors/resources-archived/diversity-toolkit/law-firmdiversity-tool-2/].
- The large corporate firms have a higher proportion of partners who attended a fee-paying school and who have a family history of attending higher education. Our data shows that 26 percent of partners went to a fee-paying school compared to 19 percent of non-partners. The gap is higher still for partners in the larger firms where 37 percent went to fee paying schools compared with 23 percent in smaller firms.

An important step in understanding changes in diversity and career progression

The advanced statistical analysis encompassing our data over several decades has never been conducted before. This work is an important step in understanding the interaction of gender and ethnicity and exploring how the legal profession has changed in terms of diversity and how social characteristics associated with privilege and disadvantage affect career progression in the legal profession.

Our work on promoting an independent, strong, diverse and effective profession

This report, in conjunction with our <u>diversity toolkit [https://indemnity.sra.org.uk/solicitors/resources-archived/diversity-toolkit/law-firm-diversity-tool-2/]</u>, help provide evidence of where change is happening and where more needs to happen. And it can support the legal profession to consider their approach to recruitment, retention and progression.

We have published this research alongside a qualitative thematic review of how law firms are working to improve diversity in the profession. That report includes case studies and some good practice tips.

Read the report - Unlocking the benefits of diversity [https://indemnity.sra.org.uk/sra/how-wework/archive/reports/unlocking-benefits-diversity/]



We will continue to work with the many others who share our commitment to improving diversity in the legal profession, including the Law Society, the Black Solicitors Network, Society of Asian Lawyers and the Hindu Lawyers Association. And we will continue to engage directly with firms and the profession to help to ensure everyone has an equal opportunity to progress in their legal career. Our risk outlook [https://indemnity.sra.org.uk/archive/risk/outlook/risk-outlook-2020-21/], biennial diversity survey [https://indemnity.sra.org.uk/solicitors/resources-archived/diversity-toolkit/your-data/] and our information guides [https://indemnity.sra.org.uk/solicitors/resources-archived/diversity-toolkit/promote-diversity/] are some examples of our commitment to creating a diverse profession.

Diversity in the profession is also reflected in our plans for reform. This includes the introduction of the <u>Solicitors Qualifying Examination [https://indemnity.sra.org.uk/sra/policy/solicitors-qualifying-examination/] (SQE)</u>. It will promote fairer access to the profession for people from all backgrounds by making sure there are consistent high standards regardless of route into the profession and by opening up opportunities to gain relevant work experience.

Diversity in the profession 1970 to 2016

DIVERSITY

in the legal profession 1970 - 2016

ADMISSIONS

There has been a large increase in the number of **women** entering the profession

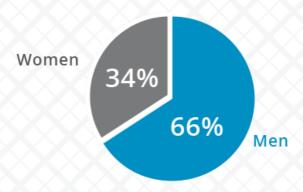


New admissions by **BAME** solicitors has also **increased** in the last 10 years



CAREER PROGRESSION

Partnership remains **male** dominated across all ethnic groups



With the prospects of becoming a partner higher for **white men** than any other group



High street firms provide the greatest opportunities to become a partner for:



There is an increase in solicitors leaving private practice to work **in-house**







And the gender and ethnicity of **in-house** solicitors has changed







Source:

Independent quantitative research conducted for the SRA by University of Leeds and Newcastle University

