

The Color *of* Money

More and more firms are funding scholarships for minority law students.
How big an impact do such programs really have?

By Dimitra Kessenides

Radiyah Rondon's legal career might have followed an altogether different path were it not for a scholarship she received from a law firm. In the fall of 1998, Rondon, then a first-year student at UCLA School of Law, received a \$5,000 scholarship from Foley & Lardner, one of several that the firm awards each year to minority law students.

Then personal circumstances forced Rondon to leave Los Angeles—and law school. However, the connection to Foley & Lardner continued. One of the partners who had interviewed her for the scholarship, Charles Oppenheim, helped her land a paralegal job in New York City during the time she was away from school. He and other Foley & Lardner partners kept in touch with her and helped her eventually get back on the law school track. Once Rondon graduated, Foley & Lardner offered her a job. She is currently a second-year associate in the firm's Los Angeles office.

Rondon's story shows the powerful impact that support from a law firm can have on an aspiring lawyer. Minority scholarship programs are gaining popularity among large firms these days. Approximately 20 Am Law 200 firms now sponsor scholarships for minority law students at U.S. law schools, including Kirkland & Ellis, Shearman & Sterling, Baker & Hostetler, Arnold & Porter, Howrey, and Fried, Frank, Harris, Shriver & Jacobson. Recent



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entrants into the fold include Goodwin Procter, which announced a new program in July, and Womble Carlyle Sandridge & Rice, which awarded its first scholarships in 2004. Each program has slightly different standards and awards, but all have the same big idea behind them: support diversity in the legal profession by helping minority law students pay for law school. With the average annual cost of law school approaching \$50,000, the money does come in handy. “These firms have recognized a need and are trying to address it,” says Robert Stanek, associate dean for admissions and financial aid at The George Washington University Law School in Washington, D.C.

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But what do the firms themselves get for their money? Scholarship awards, it turns out, aren’t an especially efficient way to identify and recruit outstanding minority law students for long-term employment. At best, scholarships help firms brand themselves as minority-friendly, enabling law firms to promote themselves and their diversity efforts to minority law students and laterals.

Nor is it clear that helping minority students pay their tuition bills will improve diversity in the legal profession. A recent American Bar Association report on diversity in law schools found that, for minority students, academic performance and lower scores on standardized tests like the LSAT and the bar exam were bigger obstacles to completing law school than the price of a legal education.

“Money is a real issue,” says diversity expert David Wilkins, a professor at Harvard Law School and director of Harvard’s Program on the Legal Profession, “but it’s not a simple correlation between cost and law school entry. More scholarship money helps, and this is a good cause, especially in a world in which the biggest divide we’re seeing is economic. But it will not solve the problem.”

For law firms, demonstrating commitment to diversity has become more and more important. Clients are demanding it. In June, for instance, Wal-Mart Stores, Inc., the country’s largest retailer, asked the firms that handle most of its legal work to nominate several candidates for relationship partner—and specified that the list must include at least one female and one minority lawyer [see “No Excuses,” page 8]. But at the country’s largest law firms, recruiting and retaining minority lawyers remains a challenge. According to *Minority Law Journal’s* Diversity Scorecard, minorities make up just 10.4 percent of all lawyers at Am Law 200 law firms. To improve such dismal numbers, law firms are looking for new ways to send the message that they are committed to increasing diversity in law schools and within their own ranks.

Sponsoring a scholarship can allow a firm to reach minority students early in their law school careers. “Certainly, if you’re making an award of \$5,000 and then inviting students to the firm for a reception, you’re creating an impression of your firm and its efforts towards diversity, especially among first-year students,” George Washington’s Stanek says. First-years, he notes, have not yet gone through the experience of on-campus recruiting and know little about large private firms.

The criteria for scholarships generally includes financial need, academic performance, community activity and service, a statement of interest by the student—some firms, such as Kirkland & Ellis, look for candidates who say that they want to practice at a large firm—and an interview. Some scholarships target different law school classes; some firms restrict scholarships to minority students as defined by the U.S. Equal Employment Opportunity Commission and NALP. The amounts awarded vary, from the \$2,000 given by Townsend and Townsend and Crew for buying books to the \$15,000 awarded by Kirkland & Ellis or Shearman & Sterling. Sometimes firms themselves interview and select the recipients; sometimes the decision is left to the law school where the scholarship has been established.

Not every firm specifically ties the scholarships that it funds to future employment at the firm. Foley & Lardner launched its scholarship program in 1998 with eight \$5,000 awards at eight law schools close to markets where the firm operates. (It has since increased the number of scholarships to nine per year.) “When we started this,

diversity wasn't quite the issue that it is now," says partner E. Robert Meek. The firm wanted to make some commitment to its communities, he says: "We saw many minorities going to markets that were more attractive, like Atlanta or D.C., and we decided to try and keep them in our own markets."

However, Foley & Lardner will interview the recipient for a spot in the summer program or permanent employment only if the student expresses interest. The firm did not want to create the impression that it was trying to buy candidates, Meek says. "The whole idea is, you just want to help, whether a student ends up at your firm or not," he says.

Nevertheless, Meek admits it's a plus if students wind up taking a job at Foley & Lardner. "You'd love for them to end up in your firm or in your community," he says. "That's preferable to the recipient who gets the money and goes to some location where the firm has no presence." Thus far, only three of the 58 recipients, including Rondon, have joined the firm as associates.

Shearman & Sterling, which co-sponsors a fellowship with the NAACP Legal Defense and Educational Fund, Inc., hires recipients as summer associates—but doesn't necessarily expect them to join the firm permanently as associates. "We don't want them to feel as if there's a quid pro quo," says Shearman & Sterling partner Jonathan Greenblatt. "They're young people who shouldn't feel pressured." Of the 33 scholarships awarded since 1991, eight students have joined the firm as associates; four continue to work there.

But even if the recipients don't land permanently at Shearman & Sterling, the scholarship can still be a good investment for the firm, Greenblatt notes. "If they become successful [somewhere else], it can lead to work for the firm," he says. "That's not why you do it, but to the extent that happens, it's gratifying." [Full disclosure: Dimitra Kessenides has worked at Shearman & Sterling in the past as a freelance writer.]

By contrast, Kirkland & Ellis makes no bones about using its scholarship program as a recruiting tool. Of the 16 law students who have received a K&E scholarship, eight have since worked at the firm as either summer or full-time associates, and three are still with the firm. Just this year, the firm expanded the award (now \$15,000) to include an offer of summer employment—which the firm hopes will lead to

a longer relationship.

"Homegrown and long-term growth from within is important," says partner Paul Garcia, a member of the firm's diversity committee, "and we do it by having [scholarship recipients] join our summer program. We're looking for the best and the brightest; that hasn't changed. It has to be someone we can see and want to be a partner at Kirkland & Ellis."

In fact, one of the original scholarship recipients, Barack Echols, became a nonequity partner this October, after working as an associate at K&E for six years. Echols says that in law school he had thought about working in a private law firm, and was interested in litigation; he simply had not focused specifically on Kirkland. That changed after he got the scholarship. "It demonstrated that there was a commitment [at K&E] to trying to address the diversity issue," Echols says. "The firm wants to do more and needs to do more, and the fact of the scholarship and the job offer made that point for me."

But Echols remains an exception. As the statistics from these firms show, what one might call the conversion rate of minority scholarships—the percentage of recipients who end up becoming full-time lawyers at the firm—is relatively low. It's unlikely that firms with head counts in the hundreds or thousands can boost their minority percentages in any significant way by awarding a handful of scholarships to deserving candidates every year.

Of course, recruiting promising minority lawyers is only half the battle, anyway. Law firms still must work to make themselves more hospitable places for lawyers of color [see "Shades of Difference," page 12]. "A lot of what's driving [these scholarships] is the need to feed the recruiting machine," says Wilkins. "The pipeline issue—hiring associates, getting them in the door, and keeping them moving within the firm hierarchy—is important. In some ways, this money might help that a little bit. But it can be a diversion from looking at law firm practices today and making changes."

Shearman & Sterling's Greenblatt agrees. "You can't rest on your laurels on the basis of this—you wouldn't get anywhere. It gets back to recruiting and retention and being open-minded and creative in how you keep people at the firm."

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