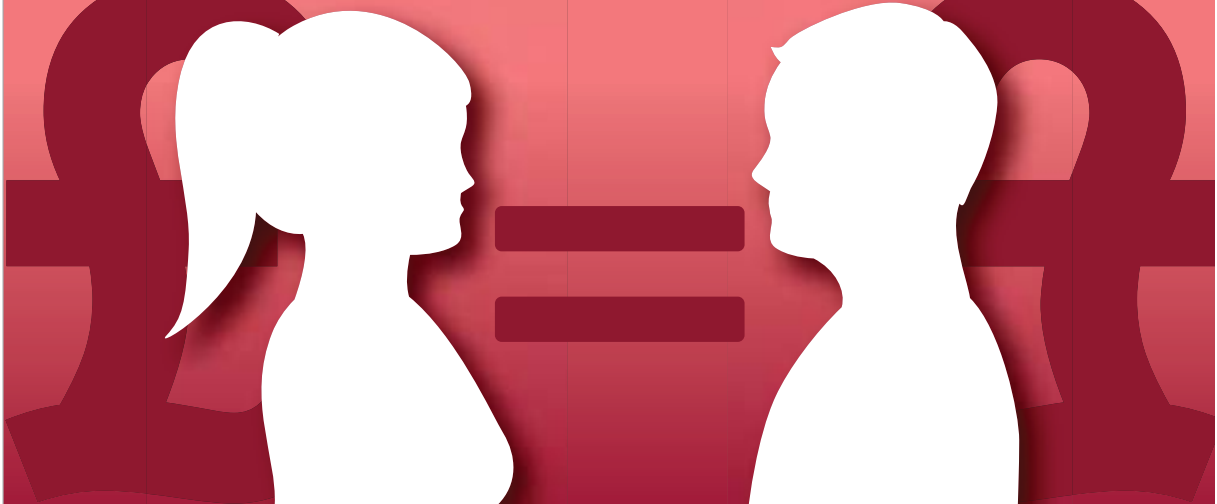


All's Fair in Law and Work?



Leo Martin, director of GoodCorporation, one of the UK's leading auditors of responsible business practice takes a look at fairness in the legal workplace.

“You must not in your professional dealings with employees, partners, members, directors, barristers, other lawyers, clients or third parties discriminate, without lawful cause, against any person, nor victimise or harass them on the grounds of:

- race or racial group (including colour, nationality and ethnic or national origins)
- sex (including marital status, gender reassignment, pregnancy, maternity and paternity)”

So begins the section on discrimination from the Solicitors Regulation Authority Code of Conduct, yet two independent surveys, one on pay within the legal profession by the Law Society and the other an Employment Fairness Index by GFK have revealed that the legal profession is often far from fair.

Pay gap

The Law Society's own research on pay has revealed that male solicitors earn, on average, over 30 per cent more than their female counterparts, and white solicitors earn, on average, £10,000 more than black and minority ethnic solicitors. Within the legal profession, the pay gap between the sexes and the races is more like a pay chasm.

Despite industry codes of conduct, not to mention the Equal Pay Act of 1970, the median pay gap between male and female solicitors is more than twice the national average of 12.5 per cent. All this in a profession in which women account for 43 per cent of existing solicitors and 60 per cent of new entrants. In no other industry would the workforce have a greater understanding of the Equal Pay Act, so why is the pay gap so wide?

Disturbing but not surprising

Katherine Rake, director of the Fawcett Society, a group campaigning for sexual equality said that the 'gaping chasm' between male and female solicitors' pay was "highly disturbing but sadly not surprising." She called it a product of "The paucity of senior flexible roles, the long working hours culture and plain old-fashioned discrimination."

Interestingly, the Law Society's practice management standard Lexcel makes no reference to equal pay. In the area of people management, the standard covers Recruitment and Training policies; job descriptions and inductions; annual reviews and the disciplinary record of fee earners, but no mention of equal remuneration between men and women for work rated as equivalent. If the profession's own benchmark of best practice fails even to refer to pay equality, there's little wonder that the pay gap is so large.

Radical approach

Within the professional service industries the issue of equal remuneration is a complex one, which reaches to the very heart of these organisations. Law firms, particularly those in the City, are unwilling to admit that the long hours culture they engender is necessary to the profitability of the firm. If pay equality is to be achieved, a radical approach is required. Firms need to be honest about the hours they expect their fee-earners to work and operate pay scales which reflect the number of hours actually worked. They should also be open about the link between profitable areas of law and remuneration to ensure that junior lawyers are aware of their pay potential when choosing their specialism.

Transparent pay structures

Transparent pay structures taking into account longevity of service, profitability, hours worked, usefulness to the firm, would lead to pay parity for the work done and less resentment among employees.

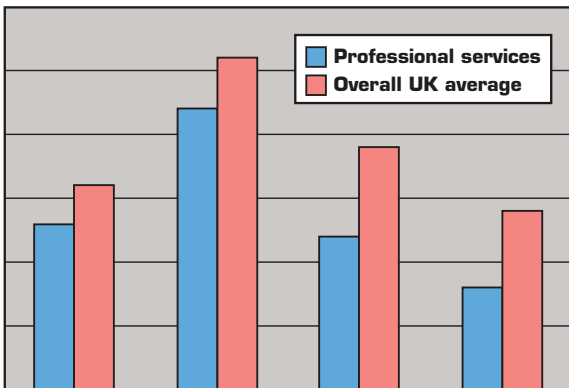
One Head of Employment at a leading City law firm commented, "Law firms have habitually lagged behind other industries with regard to their treatment of female employees. They were slow to introduce flexible working and are still way behind the curve in terms of changing working patterns to allow women greater access to partnership. Until the link between hours worked and partnership is broken, there will always be disparity within the profession."

Employment Fairness index

But pay is only one aspect of fairness at work. At the end of last year GfK published the UK's first Employment Fairness Index. The index revealed that one in three UK employees does not consider their employers to be fair. Out of all the industries questioned, professional service firms came at the bottom of the pile with almost 40 per cent of employees in this sector rating their employers as unfair. Professional Service firms were considered below average in 21 of the 25 areas surveyed and were bottom of the table in 11 of the 25 questions asked.

The survey asked a series of questions about how employers treat not just the people that work for them but their customers, suppliers and the community at large. Not surprisingly, perhaps, from what we have seen, almost 50 per cent of employees in the Professional Service industry do not consider their firms to be clear and fair with regard to salaries. The survey also showed this sector to be lagging behind other industries in condemning bullying and harassment, providing training and being fair about work/life balance. In their treatment of suppliers and the community in general, professional service firms were below average in all areas of the index, scoring most poorly in their dealings with the community.

The table below shows the treatment of different stakeholders based on the perception of employees working in the sector



Best Practice

GoodCorporation has conducted a number of best practice audits in the Professional Service sector. These audits have revealed that professional service firms are often the least likely to invest in training programmes, in the professional implementation of HR and business processes or in areas such as community involvement. For an industry that spends much of its time advising others what to do, it is time for professional service firms to put their own houses in order.

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