



# Professional Practice Solutions

We'll get you to the next next next level



## Legal sector Managing Partner and CEO dinner – 8 June 2016

### Post event summary

We were again proud to host 20 law firms at another successful and well received dinner on Wednesday 8 June at our prestigious new meeting and engagement space based at Number Twenty Grosvenor Street, London. The event was hosted by Paul Spicer, Head of KPMG's Professional Practice Solutions alongside Melanie Richards (Vice Chair of KPMG in the UK) and Caroline Carr (Professional Services Lead on the 30% Club Steering Committee) who shared insights and facilitated healthy discussion and debate around the highly topical area of 'Inclusive Leadership' and the issues and challenges that senior management in the legal sector find themselves faced with. Personal anecdotes were shared amongst attendees about what Inclusive Leadership means for them.

Here, Ingrid Waterfield (KPMG's People Practice Lead Director) shares some insights from the discussions held at the dinner and from the perspective of KPMG's Diversity and Inclusion journey.

Your people are key to your firm's success but how do you ensure that you are getting the best from them and maximising returns on your investment in them?

Many firms are actively embracing Diversity and Inclusion and understand that it is a critical part of any firm's strategy for improving performance, attracting talent and remaining relevant to their clients, communities and people. But having this aspiration and making it happen, can be very different. As a leader of a firm how do you create an appropriate framework of support, encourage the right behaviours and set the tone for ongoing discussions and decisions?

What does inclusive leadership really mean and how are you embedding it within your firm? What does 'good' look like? How can you take steps to ensure successful implementation and accountability throughout the firm?

### What is 'inclusive leadership'? It is ...

- Creating a culture where people are valued for the different experiences and perspectives that they can bring.
- Taking personal responsibility for building diverse teams and strong relationships to succeed in a complex and rapidly changing world.

- Creating an environment where everybody can come to work being themselves and feel like they belong.
- It is the right thing to do both from an effective people management point of view but also from a good governance and sustainable future viewpoint too.

When we talk about Diversity & Inclusion, many organisations focus on how to attract and recruit diversity of talent but often don't think about once they have that talent, how do they create a culture where those people will thrive and wish to stay?

### Key messages and enablers

- **This is everyone's responsibility** – if firms are going to behave less like a group of talented individuals and more like teams with a common purpose, they need to include the perspectives and skills of all of their people.
- **Move from 'we should' to 'I will'** – people need to be held to account on an individual and collective basis.
- **Inclusion is important to your clients** – in order to maintain innovation and stay connected, it is important to be open to new ideas and different ways of doing things.

### The proof

There is increasing empirical evidence showing that organisations with inclusive leaders experience improved performance and productivity, motivation, collaboration and creativity amongst their people and are more likely to increase market share. The evidence seems to suggest that those with inclusive boards demonstrate better growth, and by inclusive, that includes gender, ethnicity and other diversity strands.

For example, in terms of **growth, organisations with inclusive leaders showed ...**

- 70% more likely to have captured a new market in the past 12 months.
- 45% more likely to increase market share.

[NB. Source – *Inclusive Leadership: From Pioneer to Mainstream, 2011, Shapiro Consulting and Opportunity Now*].

## And organisations with inclusive boards showed ...

- Companies with at least some female representation outperformed those with no women on the board in terms of share price performance.
- Higher return on equity for companies with at least one woman on the board, 16% compared to 12% of companies with no women.
- Better average growth for companies with women on the board, on average 14% compared to 10% where there are no women on boards.

[NB. Source – 3 Gender diversity and corporate leadership report, Credit Suisse, 2011 and Innovation, diversity and market growth, Hewlett, Marshall & Sherbin].

## Our research

Our own research with others, highlighted below, explores some of the common myths about women in the workplace and provides practical suggestions, not just around gender diversity but taking an overall inclusive approach.

[Cracking the code](#) – the research undermines ten ‘myths’ about how women progress to the top. The study finds that men and women have similar career aspirations, leadership behaviour and push and pull factors for career moves. However, it also reveals how even small differences can result in noticeably different outcomes.

[View from the top](#) – the report examines the debate on women’s progression to the top in the workplace. The report reveals a number of inspiring examples of how some companies are leading the way in terms of guaranteeing a better blend of gender diversity in their talent pipelines.

[Think future study](#) – this study showed that female students are significantly more likely than their male peers to believe that gender will influence pay and career progression. This is despite the fact that more than three quarters of women are confident in their own ability to advance their careers.

The study also found that students from lower socio-economic backgrounds are the most driven to succeed, but the least informed about career paths. For those Generation Z students who have chosen a career path, they clearly value jobs which create meaningful impact more than high-status professions.

## So ... What does this mean for you and what can you do?

To successfully embed an inclusive culture takes time and consistent nudges; there is not a quick fix. You need to review the systems and structures that shape the organisations whilst also addressing the behaviours and organisational cultural norms that create or break an inclusive culture.

## Our events in the legal sector

This dinner was the third in a series aimed at CEOs to bring you real thought-provoking insight into real-time topical issues and challenges that you’re likely to be grappling with. Our next CEO dinner on Wednesday 11 October will be around Strategy with KPMG’s Managing Partner, Philip Davidson’ sharing his insight. If you’re receiving this email you’re already on our invite list for this event. We will also be running events specifically aimed at CFOs; CIOs; HRDs and NEDs so if you’d like your colleagues to be invited, do get in [touch](#).

If there are any subjects you’d like to see covered at a future event, please let us [know](#).

## KPMG in the legal sector

We have brought together some of the best professionals from across our firm with relevant insight and experience in the legal sector. We co-ordinate and deliver a collaborative approach to your business whatever challenges you encounter – looking to the future and the bigger picture with you. Our [service offering document](#) gives an overview of our specialists. Please [get in touch](#) if you would like to speak to our specialists.

[kpmg.com/uk](https://kpmg.com/uk)



The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavour to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

© 2017 KPMG LLP, a UK limited liability partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative (“KPMG International”), a Swiss entity. All rights reserved. Printed in the United Kingdom. The KPMG name and logo are registered trademarks or trademarks of KPMG International.

Designed by CREATE | CRT082140A | 170602